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17 APRIL 1986

Southeast Asia Report

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SOUTHEAST ASIA REPORT

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FIJI

BRIEFS

FIJI TRADE TALKS--Fiji says most of its exports will soon enter Australia duty-free and with unrestricted quota. A government statement in Suva said this followed two days of talks between representatives of Fiji and Australia. The talks included a detailed review of trade relationships and focused on new arrangements and increased flexibility under the South Pacific Regional Trade Agreement known as Sparteca. The statement said there was discussion on the importance to Fiji of preferential access for garment exports but did not say what decision had been reached. It also said a delay in Australia's aid reaching Fiji was expected to be overcome with the reorganization of the Australian Development Assistance Bureau. [Text] [Melbourne Overseas Service in English 0130 GMT 25 Mar 86 BK] /9738

CSO: 4200/875

INDONESIA

WITNESS ON ALLEGED PLOT TO KILL SUHARTO

BK051122 Hong Kong AFP in English 1102 GMT 5 Apr 86

[Text] Malang, Indonesia, 5 Apr (AFP)--A witness at the subversion trial of a Moslem militant here told the court Saturday of an alleged plan to assassinate President Suharto and top government officials, and said the plot had been advocated by a jailed ex-cabinet minister.

"Mr M. Sanusai was planning to kill President Suharto, his cabinet ministers and prominent figures of Golkar (the ruling government Factional Group Party)," 28-year-old witness Frits Willem David Frans said.

Mohamad Sanusi, 65, was industry minister from 1966 to 1968 and is now serving a 19-year jail term for involvement in a series of bombings of ethnic Chinese properties which left two dead in Jakarta in October 1984.

He is due to stand trial again Tuesday in Jakarta on charges of planning to blow up the president's car in Jakarta and the famed Central Java Buddhist temple of Borobudur in February 1983 when President Suharto was inaugurating the completion of the temple's rehabilitation.

Mr Frans, a junior high school teacher in Surabaya, said that in September 1982, Mr Sanusi told 30 people, including himself and the defendant, Mohammad Akhwan, at a meeting in Jogjakarta, Central Java, that the extremist group would kidnap and then kill the president later that year.

He said the group's plans also called for the assassination of several of his cabinet ministers and Golkar leaders, but did not give the total number of people allegedly earmarked to be eliminated.

Mr Frans, a former Christian who became Moslem in 1980, was testifying at the trial of Mr Akhwan, 37, whom the prosecution charged was the main figure behind an intensive drive to recruit revolutionary Islamic cadres through intensive courses in various cities in Java between 1981 and 1984.

Mr Akhwan was also charged with being involved in the purchase of explosives used later by his militant group to blow up a Catholic church and a Christian seminary in Malang on Christmas eve 1984 and the upper terrace of the Borobudur temple in January 1985.

No casualties were reported in either bombing, but seven people died in a bus explosion near Banyuwangi, East Java, when explosives carried by four group members went off accidentally. Three of the dead were group members.

The trial was held with strict security measures, including metal detectors, following an earlier receipt of an anonymous letter threatening to bomb the court building, eyewitnesses said.

/9738
CSO: 4200/877

INDONESIA

RUBBER, TIMBER EXPORTS IN 1985 DECLINE

BK311139 Jakarta ANTARA in English 1050 GMT 31 Mar 86

[Text] Jakarta, 31 Mar (ANTARA)--Both the value and volume of 1985 exports of Indonesian rubber, the nation's second most important non-oil commodity after timber, dropped compared to the previous year.

A spokesman for the Department of Trade disclosed here Monday that the highest value of the rubber exports was reached in 1980, namely U.S. $1.2 billion, but dropped to U.S. $836.5 million in the following year, and further dipped to U.S. $607.7 million in 1982.

In 1983, on the other hand, the rubber exports increased again to U.S. $843.3 million, and further to U.S. $958.21 million in 1984, but dropped in 1985 to U.S. $690.53 million.

The 1985 exported rubber consisted of natural rubber, other kinds of rubber and rubber products.

The drop in the value of Indonesian rubber exports was also caused by a decrease in the price of natural rubber on the international market in 1985.

The Indonesian rubber went to the United States, Singapore, the Soviet Union, West Germany and Romania, while the rubber products were exported to Australia, Singapore and New Zealand.

In the meantime, Indonesian timber exports in 1985 dropped compared to the year before.

The 1984 exports were estimated at U.S. $1.17 million [as received], which dropped to U.S. $1.15 million [as received] in 1985.

Indonesian timber was exported to Japan, the U.S., Hong Kong, Singapore, Taiwan, Britain, Italy, South Korea, the Middle East and the Netherlands.

The highest value of the Indonesian timber exports was reached in 1980, standing at U.S. $1.9 million [as received], thanks to an increase in log exports.

In 1985, Indonesia exported only plywood, sawn timber and furniture as the government had banned log exports in that year.

/7358
CSO: 4200/851

INDONESIA

BRIEFS

NEW REGIONAL MILITARY COMMANDER--Army Chief of Staff General Rudini installed Major General Adolf Sahala Rajagukguk as new commander of the 9th Udayana Regional Military Command, replacing Major General D. Sutarto, at a ceremony in Denpasar, Bali, on 6 March. [Summary] [Jakarta KOMPAS in Indonesian 7 Mar 86 BK] /7358

NEW WARSHIP INAUGURATED--Navy Chief of Staff Admiral M. Romli inaugurated a new naval warship in a ceremony in Jakarta's Tanjungpriok Port on 7 March 1986. The warship was named the KRI Wilhelmus Zakaria Johannes. [Summary] [Jakarta BERITA BUANA in Indonesian 8 Mar 86 p 11 BK] /7358

NEW REGIONAL MILITARY COMMANDER--Army Chief of Staff General Rudini installed Brigadier General Setiyana as new commander of the 8th Trikora Regional Military Command, replacing Major General Simanjuntak, at a ceremony in Japapura, Irian Jaya, on 13 March. Maj Gen Simanjuntak was earlier installed as new governor of the Armed Forces Academy in Magelang. [Summary] [Jakarta KOMPAS in Indonesian 14 Mar 86 p 12 BK] /7358

CSO: 4213/122

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

MALAYSIA

TELECOMMUNICATIONS PROJECTS TO PROCEED AS PLANNED

Kuala Lumpur BUSINESS TIMES in English 4 Mar 86 p 1

[Article by Abdinadin Ahmad]

[Text]

[illegible]

[illegible]

MALAYSIA

FUTURE OF MILITARY OUTLINED

Kuala Lumpur NEW STRAITS TIMES in English 1 Mar 86 p 7

[Article by Sabry Sharif, Defence Correspondent]

[Text]

THE Army has identified steps to be taken to mould its infantrymen into combat soldiers of the 80s and 90s.

However, there will be no massive expansion in troop strength. In fact, the Army will maintain its existing 38 infantry battalions to achieve its objective of compact, well-equipped and effective land power.

This will be the future course of the Army, confides its Chief of Staff, Jen Datuk Hashim Ali, in an interview with the *New Straits Times* in conjunction with the 53rd Army Day today.

To begin with, the Army will consolidate its strength which, since the launching of the Special Armed Forces Expansion and Programme (Perista) in 1978, has resulted in massive manpower expansion.

The Army which grew from 70,000 in the late 1970s to more than 100,000 strong by 1983 will now have to face gradual cutbacks in strength.

It is envisaged that the "new look" Army will be less than 80,000 strong by the year 2000 but with capabilities far superior to that as present.

Critics of Perista say the Army, just like the Royal Malaysian Air Force (RMAF) and the Royal Malaysian Navy (RMN), was caught off guard when the economic slowdown reared its ugly head in Malaysia in 1982.

Since weapons purchase had a time span of between two and five years, the Army ended with more than enough soldiers and officers and who were poorly equipped.

The Army chief says there are plans to restructure the infantry battalion strength to achieve the target of a 80,000 strong Army by the year 2000.

"Now, there are about 1,200 men in a single battalion. The Army feels that this number is too large. Hence, we intend to reduce it to slightly more than 800 men."

As there will be less men in every battalion, the ratio of soldiers to infrastructure support like weapons will be balanced.

This means the Army can go into combat without worrying about inadequate logistical supplies like food, medicine, ammunition and others.

In line with preparations to make the Army the infantry of the 80s and 90s, Jen Datuk Hashim says there are plans to convert nine of the 38 battalions into specialised infantry units.

These nine infantry battalions are to be turned into mechanised infantry battalions (infantry equipped with armoured vehicles), paratroopers battalions (expected to be used as first strike forces in a crisis as like the United States 101st Airborne Division that spearheaded the invasion of Grenada) and the infantry support battalions (basically to comprise such units as anti-tank forces).

The Army chief says the changes to take place in the service will not only be confined to the structure of the Army as will be seen in the reduction of the battalion strength.

However, there will also be changes in the Army doctrines and positioning of weapon systems and equipment with the overall aim of having an infantry ready for the 80s and 90s, he says.

For example, the Army has redefined the doctrine of the Cavalry Corps which in the past was that it must use its capabilities to hold the ground against invading enemy forces.

Now, one of the primary roles of the Cavalry Corps will be to provide mobility and firepower to infantry. Instead of the Cavalry Corps, the infantry will now be given the task of holding the ground against enemy forces with the assistance of the various resources of the Army and the RMAF.

The Army Doctrine Committee which has been studying ways and means to maximise the capabilities of existing forces of the Army has thus recommended the renaming of the Cavalry Corps as the Armour Corps in line with its newly defined role.

Jen Datuk Hashim says the Army is aware of the limitations of its weapons systems like its anti-tank weapons (which are based on technologies of the late 60s and early 70s)

"While there is a deficiency in the anti-tank capabilities of the Army, such a weakness can be offset through correct positioning of anti-tank weapons already in service."

Touching on the weapons required by the Army under the Fifth Malaysia Plan, the Army chief says there will not be any major arms purchases in the next few years.

To improve the firepower of the Army, one priority purchase will be that of the 155mm long range artillery, he says.

Other than these artillery guns, he adds, the objective is to train infantrymen to maximise whatever weapons at their disposal.

In other words, the Army's plans for a medium-weight tank will again be frozen.

Jen Datuk Hashim says that the thrust of the Army budget under the Fifth Malaysia Plan will be towards improving the welfare of the men like funds for construction of 8,000 units of married quarters to reduce the shortage of between 20,000 and 25,000 housing units in the Army.

The famous aphorism that "wars may be fought with weapons but they are won by men" explains this emphasis by the Army.

According to Jen Datuk Hashim, the Army, in firm conviction of this aphorism, set up a special committee under the chairmanship of a major-general which apart from looking into the scheme of service in the Army also studied ways and means to attract the best from the society to join the Army.

"The committee has completed its report and its recommendations will be submitted to the Joint Chiefs of Staff soon.

It is understood that the committee has recommended changes to the scheme of service which will not only retain the good officers and soldiers but also attract the cream of the youth to join the Army.

In addition, the Army has been recommended to launch a project to spot potentials who can be groomed for the future.

Consistent with improving the capabilities of the Army is the need to expand the Reserve Force (the Territorial Army) to augment the strength of the regulars as suggested by Army planners, says the four-star general.

Since the Reserve Forces did not expand accordingly with the regular forces under Peristra, it resulted in a disproportionate ratio of regular and reserve forces, he says.

According to military officers, it is standard for most countries of the world to have four reserves against one regular. However, this not the case for Malaysia despite various efforts carried out by the authorities.

Several problems, however, must be solved to make the Reserve Force expansion effective, according to these military officers.

"First, there must be better incentives to encourage Malaysians to join the Reserve Force. Secondly, there must be proper legislation to make Reserve Force members adhere to their military obligations.

"In short, the standing Army together with the Reserve Force must have forces-in-being capable of rapid response to signs of aggression.

"They must be able to react during the critical pre-conflict stage or to reach the threatened regions in sufficient time to gain the required tactical edge for the follow-on forces."

According to the Army chief, he is optimistic that these changes to the Army to prepare it to cope with the challenges and uncertainties of the 80s and 90s can be carried out as it does not involve any financial implications.

There is nothing to lose as the overall benefit of such restructuring will be the correct positioning of assets and resources of the Army to allow it to deal with any kind of threat effectively.

/13104
CSO: 4200/864

MALAYSIA

CHINESE, TAMIL PRIMARY SCHOOLS TO STAY

Kuala Lumpur NEW STRAITS TIMES in English 4 Mar 86 p 1

[Text] **PENANG, Mon. — The Government has no intention of closing national-type primary schools which uses Chinese or Tamil as a medium of instruction, Education Minister Datuk Abdullah Badawi said today.**

"This is not a political or election gimmick as all along the Government has felt that vernacular primary schools have a place in Malaysian society," he said.

He was addressing parents and pupils at the official opening of the $4 million Li Teh Beah National Type (Chinese) Primary School in Lebuh Ghat Meralium.

Datuk Abdullah described as untrue the claims by certain quarters that the Government intended to do away with vernacular schools.

He said out of the $2,170,483 allocated by the State Government for schools here this year, $1.6 million had been given to national type (Chinese) primary schools.

Datuk Abdullah hoped that community leaders and members of parent-teacher Associations would continue to support vernacular primary schools.

"They should not be swayed by certain political parties making an issue out of this after the Government had already clarified its stand on it."

He said that contrary to belief that the Year of the Tiger would bring problems to the nation, the people should be willing to work harder and maintain the spirit of unity among all races.

/13104
CSO: 4200/864

VOMD CARRIES PARTY STATEMENT ON 'MEMALI INCIDENT'

BK281229 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 27 Mar 86

[21 February 1986 Statement by the Central Committee of the Malay Nationalist Revolutionary Party of Malaya (MNRPM): "Malayas, Unite and Crush the Plot To Foment a Second Bloody Memali Incident"]

[Text] The Mahathir-Musa clique has created various issues as part of its general election campaign, among them the bloody incident in Kampung Memali, Baling, where the clique was responsible for murdering Muslims whom it had deliberately alleged were criminals. These people had fought along the Islamic path with the consent of Almighty God against the tyrannical rule and hypocrisy of the Mahathir-Musa clique.

In connection with the Mahathir-Musa clique's curelty, the MNRPM extends its deepest condolences over the death of the martyrs in Kampung Memali and strongly condemns the cruelty perpetrated by the Mahathir-Musa clique. The bloody incident in Kampung Memali was a premeditated act in the Mahathir-Musa clique's dirty scheme to defeat its political opponents, particularly the Pan Malaysian Islamic Party [PAS] to win the upcoming general elections. This incident took place against the backdrop of its shameful inability to use various issues as political assets, including the failure of the New Economic Policy [NEP] to remove the gap between the rich and the poor. Meanwhile, our country's economy has been affected by the economic crisis in the capitalist world. Unemployment is rampant. The prices of primary commodities are falling sharply, and the country's debts are soaring. Corruption is uncontrollable. All this has eroded the people's trust in the Mahathir-Musa clique.

To divert the people's hatred against it, the clique fomented a bloody incident in Kampung Memali on 19 November 1985 by murdering Uztaz Ibrahim Mahmud, or Ibrahim Libya, and 13 followers who were courageously defending the glory of Islam which the clique had desecrated. Later, it held the opposition responsible for the incident. The bloody Kampung Memali incident shocked the people throughout the country and the world and infuriated the people in the country, especially Malays. Everywhere in the country, the patriotic and democratic people, especially Malays, condemned the bloody act perpetrated by the Mahathir-Musa clique. They praise the spirit of the martyrs and en masse build, visit, and maintain the tombs of the martyrs.

They demand that the Mahathir-Musa assume the full responsibility for the incident. The clique will definitely fail to exonerate itself from the bloody crime against the martyrs no matter what it tries to do. In self-defense, the Mahathir-Musa clique immediately showed a tampered video recording on the bloody Kampung Memali incident, but this recording has been a boomerang. More questions are emerging, while the clique fails to answer them. This has further exposed the clique's hypocrisy and showed that the Mahathir-Musa clique was responsible for the heinous murders.

Being increasingly isolated, the Mahathir-Musa clique resorted to a new dirty tactic by immediately instructing the Islamic Affairs Division of the Prime Minister's Department to gather religious experts serving as its stooges to issue a ruling that Ibrahim Liby and his 13 followers did not die as martyrs. Following the instruction, the Ruling Committee of the Kedah Islamic Department issues a ruling in accordance with the Mahathir-Musa clique's political wishes. The patriotic and democratic people throughout the country, especially Malays have condemned the ruling issued under the instruction of the cruel Mahathir-Musa clique representing the interests of the bureaucrat and comprador capitalists. The ruling has further created tension and dissatisfaction among the people. Having no way out, the Mahathir-Musa clique said arrogantly at the Darul Aman Stadium in Alor Setar on 30 January that it will not hesitate to repeat a second bloody Kampung Memali incident in Kampung (Rusilau), Kuala Terengganu. This warning shows that the Mahathir-Musa clique has run out of ideas and that it will not hesitate to do anything against its political opponents, including imposing a state of emergency, to defend its antipeople rule. To further deceive the people, the Mahathir-Musa clique instructed the Ruling Committee of the National Islamic Affairs Council with 14 religious counsellors and 6 experts as members to hold a dialogue and make a decision on 19 February to defend the ruling issued by the Ruling Committee of the Kedah Islamic Council.

Campaigning in Segamat, Johor, the next day, Mahathir in a sad voice criticized the people, especially Malays, who had rejected the ruling of the Kedah Islamic Council. The Mahathir-Musa clique's criticism further exposed how it had used the two Islamic councils to serve the objectives of its general election campaigns to defend its unpopular rule.

In this respect, the MNRPM calls on all patriots and democrats, especially Malays and patriotic and democratic soldiers and policemen, to broadly join in a united front. Let us expose and foil the Mahathir-Musa clique's evil intention to provoke another bloody Kampung Memali incident in Kampung (Rusilau), Kuala Terengganu, and demand the unconditional release of all detainees arrested following the bloody Memali incident! Let us expose and foil the Mahathir-Musa clique's evil intention to impose a state of emergency to defeat its political opponents to defend its rule representing the bureaucrat and comprador capitalist class and opposing the people! Let us support all patriotic and democratic parties and individuals to win the upcoming general elections and establish a patriotic and democratic coalition government (?in the country).

/7358
CSO: 4213/121

BRIEFS

FLNKS OFFICER RELIEVED OF DUTY--Canberra, 3 Apr (AFP)--The Australian Government is unlikely to renew the vist of Jean Peu, 26, the Melbourne-based information officer of the New Caledonian Kanak Independence Front (FLNKS), who visited Libya last month, an official spokesman said today. Mr Peu traveled to Tripoli with the FLNKS foreign-affairs spokesman Yann Uregei to attend a conference of liberation movements, the spokesman said. Australia has made it clear that "we do not want the Libyan connection" in the South Pacific, the spokesman added. The FLNKS has relieved Mr Peu of his functions as their representative in Australia following his visit to Libya. The spokesman said that Immigration Minister Chris Herford was still considering Mr Peu's visa application and he might be given a temporary visa to wind up his affairs in Australia. The government was not however barring the FLNKS from sending another representative since agreement had been given for the New Caledonian Independence Movement to have an office in Australia, the spokesman said. [Text] [Hong Kong AFP in English 0639 GMT 3 Apr 86 BK] /9738

CSO: 4200/876

PAPUA NEW GUINEA

OK TEDI REVENUE FUTURE DIM

Port Moresby PAPUA NEW GUINEA POST COURIER in English 19 Mar 86 p 1

[Article by Noel Pascoe]

[Text]

The Ok Tedi "pot of gold" will not begin paying company tax to the Government for at least five years, according to official figures.

And it could be several years later than that.

It all depends on the world prices for the two major metals to come out of the Folomian mountain-top — gold and copper.

The Government is unlikely ever to get any of the expected "super taxes" from the mine because of the gloomy price outlook.

The figures, which came into Post-Courier's possession this week, represent economic analyses prepared for the February meeting of the OTML board of directors.

They were part of the case put to Cabinet two days before the February 28 deadline expired for acceptance of the Sixth Supplemental agreement, which Parliament last night ratified.

And the analyses confirm that perhaps the most PNG can ever expect from the rescue of the project is the saving of jobs and the future of the many smaller companies involved.

Ok Tedi officials say the figures, covering the 15-year-period to the year 2000, were "a darn sight better" than the threat of bankruptcy that faced the shareholders — three overseas companies and the PNG Government — in the middle of last year.

In 1981, when the Government signed the Ok Tedi agreement, it expected to net company tax at rates between 35 and 47 per cent of company profits, depending on the metal prices.

But the 1981 reckoning did not allow for the disastrous landslide that hit the miners in their search for a dam site, the costly cyanide spill and clean-up campaign, the plunging metal prices and other changes.

One leading official said this week: "Company tax is estimated on the rate of profit. The tax rate on nothing is nothing."

OTML's statistics were prepared on three price bases: the first with gold at US$300 an ounce and copper at US80 cents a pound, the second with gold $330 and copper 65c, and the third with gold $350 and copper 70c.

Under the first scenario, OTML would begin paying company income tax in 1994, with the sum of K2.9 million, climbing to a maximum estimated of K20.6 million in the year 2000.

OTML estimated a total company tax gain to the Government of K58 million in the 15-year period.

Under the second basis, the Government would start to receive company tax in 1992, beginning with K24.3 million that year and culminating in a total of K290.3 million by the year 2000 — and that is the basis most closely following current prices.

The third and best scenario, with gold at $350 and copper at 70 cents, projects company tax of K41 million in 1991 and winding up with K484.6 million in the total period.

The "Super Tax", formally known as the Additional Profit Tax, could have netted as much as 11 per cent of the OTML total revenue on the basis of gold at US$300 an ounce and copper at 80 cents a pound.

But Ok Tedi representatives maintain that PNG will benefit in the other ways from the mine.

/13104
CSO: 4200/862

PHILIPPINES

DAILY INQUIRER SUPPORTS ABOLITION OF PARLIAMENT

HK021435 Manila PHILIPPINE DAILY INQUIRER in English 30 Mar 86 p 4

[Editorial: "The National Interest Above All"]

[Text] The decision of President Aquino to abolish the Batasang Pambansa has been criticized or condemned by politicians belonging to virtually all parties and factions in that body. And why not? They have lost not only a position of great responsibility but also a means of comfortable livelihood. You cannot hit an ultra sensitive portion of a person's anatomy without provoking an anguished belly-ache. The KBL assemblymen would understand that the Aquino government has no use for them, but the opposition members do have a reason to cry out, "Dear Cory, you can't do this to us!"

Until they calm down sufficiently to reflect that it would be unthinkable for the revolutionary government of President Aquino to preserve intact the legislative organ of the overthrown Marcos regime. The members of the KBL majority who had voted to proclaim Marcos after the February 7th election would recognize that their insistence on retaining their Batasan seats is utterly untenable. How can they ask to share power with a president whom they have rejected? There simply is no way for the Batasan to purge itself of that original sin.

Two alternatives were open to President Aquino: to allow the Batasan to remain in being by encouraging KBL members to join UNIDO [United Nationalist Democratic Organization] or PDY-LABAN [Pilipino Democratic Party-Lakas ng Bayan], or to let the opposition pro-Aquino members convene as a rump Batasan. The first course would have been immoral and the second illicit, hence, inconsistent with the spirit of the revolution.

The legislative body of the Aquino government must receive a mandate from the people as fresh and credible as that of President Aquino herself. No half-way measures or pretentious assumptions will do. It is a hard rule which will cause inconvenience for some persons, but that is part of the sacrifice everyone must be ready to bear in the national interest.

/7358
CSO: 4200/861

GOVERNMENT SEQUESTERS MARCOS' LEYTE WEALTH

MANILA Quezon City BUSINESS DAY in English 19 Dec 86 p 11

[Text] The government has sequestered over half a billion pesos worth of shrines, resorts, TV stations and other assets allegedly owned by former First Lady Imelda R. Marcos and her brothers Benjamin and Alfredo Romualdez in Leyte.

"It is incredible for Imelda and the Romualdezes to have amassed such a fortune," said Good Government Commissioner Raul Daza, who sent a team to effect the sequestration order.

According to the report of the Leyte team leader, lawyer [illegible], the properties seized and sequestered are:

--The Sto. Niño Shrine in Tacloban City;
--Olot Beach House in Tolosa;
--A bank account at the Tacloban branch of the Philippine National Bank worth P10.3 million;
--Three Tacloban City radio stations--[illegible], [illegible], and [illegible];
--Price Mansion in Tacloban;
--Gift Hut, Tacloban;
--People's Center, Tacloban;
--The Dio Island Resort; and
--[illegible] Farm in Biliran Sub-province, Leyte.

These properties were sequestered with the help of [illegible] volunteer group of mostly Tacloban residents headed by lawyers [illegible] and Aurelio [illegible].

"The scandalous plunder of our country's wealth could have been accomplished only under the despicable Marcos misrule," Daza said. "I believe we will uncover more ill-gotten wealth. In this case, we are only talking of Leyte," he said.

/9599
CSO: 4200/[illegible]

[redacted]

[redacted]

[redacted]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Brighton Trade
Balance as December, [illegible] & [illegible]
(Dollars in thousands of dollars)

[illegible]	[illegible]	[illegible]	[illegible]
Fixed assets	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Prepaid [illegible]	[illegible]	[illegible]	[illegible]
Accumulated amortization	[illegible]	[illegible]	[illegible]
Investments and advance [illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]
[illegible]			
Fixed assets	[illegible]	[illegible]	[illegible]
[illegible] and [illegible]	[illegible]	[illegible]	[illegible]
Advances of the [illegible] [illegible]	[illegible]	[illegible]	[illegible]
Advance of the [illegible] [illegible]	[illegible]	[illegible]	[illegible]
[illegible] and [illegible] [illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

Notes: [illegible] [illegible] [illegible]

[illegible]
[illegible]

PHILIPPINES

[illegible] NEWS JAPANESE COOPERATION

[illegible] Quezon City [illegible] BUSINESS DAY in English 31 Mar 86 pp 6, 7, 13

[Article by Daniel C. Yu]

[Text] Recent developments in Philippine-Japanese trade relations indicate a growing interest on the part of the Manila government to penetrate the vast Japanese market as one step to further diversify its export markets.

The objective of the Philippines is not so much to expand its traditional exports, primarily raw materials for Japanese industries as well as fruits, as to diversify into the exports of non-traditional items particularly outer-garments, furniture and fixtures, and gifts and housewares.

The interest of the Philippines is in direct response to the announcement made in the middle of last year by Japanese Prime Minister Yasuhiro Nakasone of a package of action programs designed to open up the lucrative Japanese market.

Criticisms from all over the world, particularly from the United States, over the huge trade surplus of Japan in recent years prompted the Tokyo government into instituting the situation.

For the Philippines, trade officials are hoping that the market-opening move of Japan would benefit local exporters.

Even the most recent Economic, it has become clear that the liberalization moves of Japan would mainly benefit the United States and its partners in the European Economic Community (EEC). Developing countries like the Philippines though would also benefit, albeit only to an incidental feature.

The main benefit was the reduction of tariff on bananas of which the Philippines is the major supplier for the Japanese market. As announced last June 1985, the tariff rate on bananas for the period October to March was slashed to 10 to 15 percent, while for April to September, the rate was reduced from 21.3 to 11.3 percent.

In its announcement, Japan noted that "this special treatment has been decided upon considering the fact that bananas are one of the main exported items to Japan from the Philippines accounting for 10 percent of total Philippine

exports to Japan." Japan further stated that the tariff revenue reduction, as a result of this move, would come to about $13 million.

While pleased by this development, Philippine trade officials could not help but see the move as something intended to dramatize that Japan indeed is responding to clamors from the Filipino exporters for improved access to the Japanese market. Further, trade officials point to a longstanding Philippine request dating back from 1979 that tariff on bananas should be reduced to zero.

The frustration of some Philippine officials over Japan's recent market-opening moves was made worse by the substantial concessions that Tokyo gave to the developed countries, including the removal of tariff on high technology equipment, while tariffs on most agriculture and forest products, which would directly affect developing countries like the Philippines, remain substantially higher than what these countries have petitioned for.

Over the last decade, while trade between the Philippines and Japan expanded in aggregate terms, the share of non-traditional exports to Japan hardly registered any improvement.

This was at a time when Philippine exports of non-traditional lines were outstripping its traditional exports and when the so-called newly industrializing countries centered on these exports to propel their own domestic growth.

So inaccessible was the Japanese market to the Philippines during the period that when the country last year decided to make an earnest push to penetrate the market, it found that it was not ready at all since the Japanese market was demanding totally different styles, color schemes and the like. Thus, last year, a number of crash courses were offered to local exporters, particularly garment exports, to acquaint them with the special requirements of the Japanese market.

However, there appears no real urgency on the part of Japan to assist the Philippines penetrate the Japanese market since any export surge may seriously affect its own industries which have also been pressuring the Tokyo government to prevent a sharp rise in export-competitive products.

It was also not surprising to witness the lukewarm response of the Japanese government to a planned "market week" slated supposedly for early this year to showcase Philippine products--garments, handicrafts and furniture--in Japan.

The government recently also sent a proposal to Japan petitioning for changes in the tariff on imported garments in a bid to make Philippine garments entering the Japanese market more competitive.

The proposal, which has so far elicited no reply or action from Japan, calls for the adoption of an "outward processing arrangement" in the valuation of imported garments similar to the scheme adopted by the U.S. and the EEC

whereby duty is slapped only on the value-added portion of the garments imported.

The petition for preferential tariff for garments made out of fabrics from Japan is actually just one of the long series of requests made by the Philippines which have remained unfulfilled.

The Philippines is also asking Japan for more access for plywood, expansion of the import quota for canned pineapple, more liberal quality standards and health inspection procedures for fresh mango and papaya, among others.

For Philippine exports that directly benefit Japanese industries however, Japan not only opens its doors wide but actually goes out of its way to ensure the regularity of such supplies. A case in point is copper ore exports, for many years one of the principal traditional exports of the Philippines to Japan. When the Philippines completed its own smelter in 1983, which ironically was financed through Japanese loans, Japanese smelters suddenly reduced their smelting rates.

Naturally, local copper producers wanted to take advantage of the lower Japanese charges and finally were prevailed upon to supply part of their feedstock to the Philippines only after the government threatened to charge them a copper export tax.

Another ticklish point in Philippine-Japan relations is the log export controversy. Logs, again one of the country's principal raw material exports to Japan in the last 10 years, were regularly smuggled to Japan.

The Philippines was losing substantial revenues due to shipment undervaluation that the government decided to put up a host of safeguards designed to stop log smuggling.

One measure adopted was the inspection of log shipments arriving at the unloading port in Japan. The Philippine government hired an outport inspector, a Japanese firm, tasked to remeasure and ascertain that shipment volume was in conformity with what was contained in the export documents.

Shortly after the inspection company began working for the Philippines, it was stopped by the Japanese government on grounds that the "Philippines was exercising public authority in Japan."

Local trade officials, who explained that such procedure was normal and part of any commercial transaction that required inspection, protested against the Japanese move but to no avail.

On the other side of the ledger, Japanese exports to the Philippines, consisting principally of equipment and machinery, iron and steel products, transport equipment and chemicals clearly give an indication of the extent of the dependence of Philippine industries on Japan.

At the height of the economic crisis in 1984, when the Philippines had to declare a debt moratorium, and as a result, the Japanese government decided to suspend extending export insurance cover to their exporters, many Philippine industries suspended operations.

At a point when the country needed all the help it could get, one businessman observed that Japan operated as if "it was one whole Japan Inc. that simply turned off the tap" to the detriment of domestic industries.

Many see that while Philippine-Japan trade has since returned to its pre-1983 conditions whereby Japanese firms once more are being extended insurance cover by their government, there clearly is an imbalance in the relations that has to be rectified.

More than just the rhetorics of recent years, Japan must now come up with concrete efforts to improve Philippine exporters' market access considering that the imbalance in trade relations is clearly tipped in Japan's favor.

RP-Japan Trade
(FOB value in thousand US dollars)

	Philippine exports to Japan	Philippine imports from Japan
1970	420,753	344,879
1971	398,570	359,100
1972	373,449	390,785
1973	674,523	518,519
1974	949,207	864,452
1975	864,997	966,291
1976	621,455	976,416
1977	726,883	975,300
1978	818,381	1,285,105
1979	1,201,004	1,397,929
1980	1,533,333	1,531,182
1981	1,250,487	1,494,114
1982	1,145,507	1,532,022
1983	1,306,497	1,743,556
1984	1,418,624	1,079,899

Source: 1970 to 1972--Central Bank
1973 to 1982--National Census and Statistics Office
1983 to 1985--Japan Trade Center (JETRO)

Major Philippine Exports to Japan
1983 to 1985
(FOB values in thousand US dollars)

	1983	1984	1985
1. bananas	183,848	214,474	247,435
2. iron ores	133,633	159,719	150,685
3. copper ores	300,224	187,378	133,304
4. wood	135,246	184,696	121,812
5. manufactured products	168,246	247,361	253,236

Major Philippine Imports from Japan
1983 to 1985
(FOB values in thousand US dollars)

	1983	1984	1985
1. chemicals	188,961	142,616	108,287
2. iron and steel	185,451	111,641	77,728
3. machinery other than electric	375,523	94,572	100,743
4. electric machinery	271,003	164,936	163,490
5. transport equipment	301,186	264,605	176,694

Source: JETRO

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CSO: 4200/854

PHILIPPINES

INDUSTRY REPORTS FIGURES FOR LOG EXPORTS TO JAPAN

HK020957 Manila MANILA BULLETIN in English 31 Mar 86 p 19

[Article by Pal L. Ravina]

[Text] A total of 110,770 cubic meters (CBM) of local logs with a freight value of $1,880,090 was exported to Japan in December 1985 and in January and February 1986, it was reported yesterday.

Records of the Maritime Industry Authority (Marina) and the Filipino Shipowners Association (FSA) show that 47,555 CBM of logs was shipped to Japan in December, 40,600 in January and 22,615 in February.

The Marina and FSA said that the 110,770 CBM was jointly carried by member-lines of the FSA and the Nanyozai Freight Agreement (NFA), a consortium of Japanese shipowners.

The Philippines and Japan signed last April a Log Transport Agreement (LTA) whereby a 50-50 carriage ratio have been applied between FSA and NFA member-lines.

The objective of the bilateral agreement, negotiated between FSA and NFA officials with the sanction of both the Philippine and Japanese governments, was to help stampout if not completely eradicate rampant smuggling of Philippine logs bound for Japanese ports which had been depriving the Philippines of millions of dollars in the form of freight payments and other charges for the past years.

Negotiations for the implementation of the LTA were initiated by the Marina in cooperation with officials of the Japanese Ministry of Transport, the FSA and the NFA.

Statistics of the NFA indicate that while over a million cubic feet of logs had been exported by the Philippines to Japan in 1983, only more than 400,000 cubic feet was recorded by the Central Bank, showing that more than 60 percent had been smuggled for that year alone.

The implementing rules and regulations of the agreement are stipulated under Marina's Memorandum Order No. 6 which was jointly formulated by the Marina,

the Bureau of Customs, Bureau of Forest Development (BFD) and other agencies involved in the regulation of logs exports.

It was not known, however, how many vessels have been accredited by the Marina from both the FSA and NFA to participate in the carriage of Philippine logs to Japan.

The Marina said that of the 47,555 CBM shipped to Japan in December, the share of FSA was 35,056 CBM or 73.7 percent while NFA was 12,499 CBM of 26.3 percent. For the month of January, FSA carried 20,200 CBM or 49.7 percent while NFA 20,400 CBM or 50.3 percent, and in February, FSA's share was 6,115 CBM or 27.1 percent while NFA was 16,500 CBM or 72 percent.

An official of the FSA said that to comply strictly with the 50-50 carriage ratio as provided for by the agreement, the volume of logs carried by each association's memberlines are being offset based on their monthly loading capacity monitored jointly by the Marina and the FSA.

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CSO: 4200/861

PHILIPPINES

LOG-SMUGGLING CONTINUES IN NUEVA ECIJA, AURORA

HK020800 Quezon City ANG PAHAYAGANG MALAYA in English 26 Mar 86 p 14

[Article by Benjie Guevara]

[Text] Unscrupulous military officials and personnel are conniving with illegal loggers, notably those protected by ousted President Ferdinand Marcos, in smuggling out almost P1 million worth of "hot" logs from Nueva Ecija and Aurora provinces.

Natural Resources Minister Ernesto Maceda said yesterday he had requested AFP [Armed Forces of the Philippines] Chief of Staff Gen. Fidel Ramos to relieve the 515th Forestry Battalion and the Philippine Army Training Command after receiving reports that soldiers from these units have been aiding illegal loggers in transporting some 20 truckloads of logs daily through the Upper Chico River and along the route going to Gapan, Nueva Ecija.

The 20 truckloads of illicit logs are valued at P880,000 combined, based on 20 cubic meters per truck at P2,200 per cu.m.

One of the audit teams deployed two weeks ago by the minister to investigate the illicit operations of certain logging firms reported yesterday that the said military personnel manning checkpoints in the area are "at odds with each other due to the 'tong' [grease money] collection of P200 per truck bearing logs."

Maceda also asked Constabulary chief Brig. Gen. Renato de Villa to set up new checkpoints at the Upper Chico River and along the Nueva Ecija route amid confirmed reports that the illegal loggers have stashed an estimated five million cu.m. of freshly-cut logs above the Siluwin Creek, a tributary of the Chico River.

The audit team's initial findings showed that some 865 cu.m. of logs worth P1.025 million seized recently were believed to have come from the Siluwin Creek "log pond." Over 300 pieces of these illegal logs were owned by a Lino Bernardo, a holder of a tree recovery permit [TRP] who operates in Baranggay Nazareth along the river. The remaining 82 pieces were seized from the log pond of Mayor Eduardo Enrile in Baranggay Sumandig, also along the river.

The ministry earlier confirmed reports of Bulacan-based lawyer Jesus Santos that one of the timber firms conducting illegal logging in the said area was the B & S Timber Co. which is owned by Mr Marcos' brother-in-law, Col. Marcelino Barba.

Maceda likewise relieved all personnel of the Wood Industry Development Authority [Wida] in Nueva Ecija and ordered an investigation of a certain Wida official in the province following reports that "he is an expediter of Barba and Sangil... on matters concerning acquisition of logging licenses all over Nueva Ecija and Quezon provinces."

The Wida officer reportedly helped his cousin, Mayor Enrile, in acquiring a tree recovery permit, and is holding office in a Cabanatuan City office paid for by Barba, Maceda revealed.

The minister also cancelled all tree recovery permits in the two provinces in view of reports that "the TRP, which is usually issued to town mayors to gather timber... used for public infrastructure projects has been abused and misused for personal gains."

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CSO: 4200/861

[illegible]

[illegible] Sub-Saharan Democratic Republic Kamala Mawadi has ordered a ban on logging in local provinces. The ban concerns the provinces of Banna Sutta, Banna Tiscara, Dalcina and Jiggan. Mawadi said any violation of the order will be dealt with severely including the confiscation of licenses and the filing of criminal charges. He underlined the degradation of forest resources in the provinces to the cost-based felling of trees by logging concessionaires. According to him, if this continues, the natural resources in these areas would be depleted, resulting in floods and other serious calamities. [Text] [Banna Sutta DPR Radio in English 0400 GMT 4 Apr 86 BBC] [illegible]

[illegible] In an hour-long [illegible]-Kamala [illegible] Kabul Radio said last night [illegible] he would file a libel suit against Radio Bilkana, [illegible] of the [illegible], for airing in his column that Kamala owed [illegible] and then presented to Saudi talking with his wife $[illegible] [illegible] Kamala also said he would file another libel suit against the [illegible]. For their part, [illegible] that he had been investigated [illegible] with Kamala Kabul, the former president of the Federation of Filipino-Chinese Chambers of Commerce Incorporated. [Text] [Radio Bar Kamala Kabul] [illegible] in English [illegible] GMT 7 Apr 86 BBC [illegible]

[illegible] [illegible] Republic, 28 Mar [illegible]—A police chief in Pangasinan Province [illegible] of have been gunned down, the official Philippine News Agency [illegible] reported today. Against Tomas [illegible] commander Captain Benjamin [illegible], 35, was on his way home Thursday when he was shot dead by two assailants [illegible] and was shot in the head. The assassins were [illegible]. The local military probably had not to determine the motive behind the killing, although [illegible] to say possible that Capt. Tolia had been "[illegible]" because he had [illegible] a [illegible] campaign against gambling. Capt. Tolia [illegible] the assassins of an illegal numbers game pusher in Dagupan City [illegible] Tolia [illegible] to enforce such, it added. [Text] [Hong Kong AFP in English 0302 GMT 28 Mar 86 BBC] [illegible]

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PRC "WELCOMES" CONSTRUCTION BIDS FROM SINGAPORE

[illegible] Singapore THE STRAITS TIMES in English 10 Mar 86 p 10

[Text] China welcomes Singapore contractors' bids to construct more residential buildings--a priority under the Seventh Five-Year Plan which begins this year.

The invitation to foreign businessmen was made on Saturday by Mr Sun Zhong Jun [name as published], Deputy Director of the Chinese Ministry of Urban & Rural Construction.

Mr Sun headed a Chinese delegation, which left Singapore on Saturday, after visiting the 6th Singapore International Building Exposition (SIBEX).

He said the Chinese government had embarked on a policy of sustained growth with the building industry being an important sector.

Mr Sun said 2.2 billion square metres of residential space should be constructed to raise the Chinese people's standard of living by the end of the century.

This means that 130 million square metres had to be completed each year. This was 5.6 times the present annual rate of construction.

Mr Kenny E. Lamm, the Regional Managing Director for Cahners Exposition Group, which organised SIBEX, said the Chinese delegation came here to develop close with Government officials.

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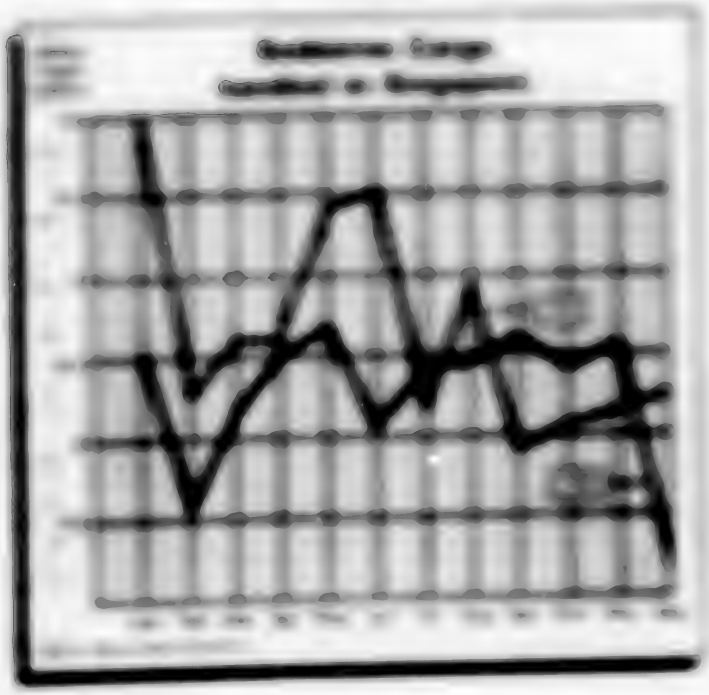

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Those guilty of willing unauthorized access to authorized production will be fined up to $10,000 for each place or station project used or seized up to ten years.

Industry analysts say the bill is a response to growing financial losses and data privacy behaviors which have suffered losses in targeted handset and handsets.

I was involved in the proposed legislation in the setting up of a tribunal to settle disputes in the performing and treatment of copyright works. To be headed by a senior judicial or a barrister judge, or also practitioner need involve in the licensing of such works.

Two areas in the existing act have been removed in the bill. The complaint by the applicant defendant of copyright programs or licensed work. "Licensee will not be able to go to court for wrongful interference," he has said.

The bill also spells out for the first time one of the areas that can be prosecuted "hard docking" and how to interpret true copyright violations.

Similar also Bonaventure say, the bill spices copyright works and, those that are authentic to client and those those to be tri-mentioned, work on a sound where the copyright owner (will be the origin), the sound manufacturer or publisher.

END

Ian Lobsang

SINGAPORE

BRIEFS

PROPOSED COPYRIGHT TRIBUNAL--The Copyright Tribunal proposed in the Copyright Bill to settle disputes in performing and broadcast works will be presided by a person qualified as a District Judge. It will have between two and four other members. Questions of law can be referred to the High Court and the tribunal will have the power to hold inquiries to decide on the amount of royalty to be paid for musical records, the amount of royalty to be shared between the copyright owner of a musical work and someone who wrote the script for the musical. A person who wishes to license his works or act as an agent for the copyright owners to sell his works can also refer to the tribunal. It is proposed that the tribunal will also arbitrate disputes arising from existing licence schemes. The tribunal is to carry out its hearings in public unless evidence to be produced during the proceedings are of a confidential nature. A person who commits contempt of the tribunal is subject to a fine of up to $5,000 or jail of not more than three months. [Text] [Singapore THE STRAITS TIMES in English 5 Apr 86 p 23 MCI /9738

CSO: 4200/874

THAILAND

OPINION MAKERS REACT TO ASEAN, U.S. STANCE ON PHILIPPINES

Editorial Faults ASEAN Position

Bangkok NAEO NA in Thai 25 Feb 86 p 4

[Editorial: "Weak and Slow"]

[Text] ASEAN took a position for the first time only after the Philippine minister of defense and acting chief of staff announced that they were withdrawing their support from Ferdinand E. Marcos and mobilizing military and police forces to oppose the dictator who had ruled the Philippines for more than 20 years and hundreds of thousands of Filipinos who opposed the way Marcos rigged the election joined forces with these two men. But besides the fact that it was late in taking a position on this, the position that it finally did take was much too weak.

The foreign ministers of the other five ASEAN countries, that is, Brunei, Indonesia, Malaysia, Singapore and Thailand, appealed to all sides in the Philippines to avoid bloodshed and a civil war. They said that there was still time to act with restraint in order to bring about a change without resorting to violence. The governments of these five countries called on the leaders and people of the Philippines to join together in order to settle the political crisis.

If you consider just the statement without looking at the situation, the statement sounds quite nice. But to the Philippine people this statement simply amounted to allowing Marcos to stay in power. Several days before ASEAN issued this statement, several European countries, Canada, Australia and Japan made it clear that they would no longer support Marcos. Even the United States, which has large military bases in the Philippines, said that if Marcos held an inaugural ceremony,it would send only the embassy secretary to attend.

How great an effect the political change in the Philippines has on ASEAN will depend on ASEAN's attitude toward the new Philippine leader. ASEAN continued to side with Marcos, believing that Marcos would be able to hold on to power. Each country tied its interests to one person. ASEAN's belief was at odds with the views of the Philippine people, who have the right to determine their own fate. In particular, they had the right to change leaders by holding a democratic election. The Philippine people, who showed great patience and

restraint, tried to wage a peaceful struggle. They did not need anyone to instruct them. But when peaceful methods failed, tens of thousands of Filipinos took to the streets to block the tanks moving to suppress the opposition.
ASEAN and the Philippines have very close ties. Thus, ASEAN's attitude should be in line with the wishes of the people of the country. The leaders of a country may come and go, but the people will remain. ASEAN should take a clear position as a group that is ready to uphold democracy. It should show the world that it can apply real pressure and will not just vacillate. If it just continues to waver, how can it hope to get along with the new leaders of the Philippines?

Editorial Sees ASEAN Delay of Communique

Bangkok SIAM RAT in Thai 26 Feb 86 p 3

[Editorial: "ASEAN and the Philippine Matter"]

[Excerpts] After waiting for a long time, almost at the last moment ASEAN finally issued a five-member communique expressing great concern about the situation in the Philippines in the wake of the disorderly presidential election held there on 7 February.

From the standpoint of unity within ASEAN, which is considered to be one of the most unified groups in the world today, this communique did not really say anything about this matter. ASEAN really didn't want to say anything, but it had to say something. Other groups located far from ASEAN and the Philippines took action a long time ago.

ASEAN's reluctance to express a view about a fellow member is very dangerous. This could expose serious weaknesses in exerting pressure to have it's proposals accepted promptly. This makes it seems as if ASEAN waits to follow the lead of other countries before pondering the difficulties and arriving at a firm position even though ASEAN, of which the Philippines is a member, has a joint policy aimed at preserving stability in this region.

ASEAN's delay in issuing a statement on the situation in the Philippines is an important example that must be pondered deeply. Because it is essential that ASEAN show unity and solidarity on another problem that is more important, that is, the threat to regional stability and security posed by Vietnam and its satellites. The important thing is to watch ASEAN's attitude toward the chronic problems caused by Vietnam's invasion of Cambodia.

Columnist Links U.S. To Spread of Communism

Bangkok SIAM RAT in Thai 13 Feb 86 p 3

[Short Jab column by Hoenfa Kindin: "Vietnam 2?"]

[Excerpt] The communists in the Philippines are growing stronger and stronger every day. This is probably one reason why Marcos and the United States decided to hold an election.

SEATO was established more than 30 years ago in Manila in order to resist the communists. Historians have said that this was the first time that the Filipinos awoke and tried to find their roots as Asians. In particular, the Philippines began to realize that the countries of Southeast Asia were neighbors to whom it would have to attach importance. Prior to that, whenever something happened, the Philippines ran to the Americans for help.

Historians have said that it was during the time of Magsaysay that the Philippines began to "show a desire to implement a foreign policy independent of the government in Washington." But it did not succeed. It failed because of the untimely death of Ramon Magsaysay, which was a tradegy for the Philippines, and because of the formation of SEATO. The United States, which was the spearhead in the struggle against communism, established even more military bases.

After the collapse of SEATO, it was said that SEATO had been a "paper tiger" that had just growled at the communists. But three groups benefited from the formation of this organization. The United States gained military bases throughout Southeast Asia. The communists were able to use this to attack imperialism. And the leaders in this part of Asia, most of whom were dictators, allowed the United States to rent military bases in order to reap profits for themselves and their cronies.

U.S. policy toward Southeast Asia at that time was criticized for being neocolonialist. That is, it provided limited economic aid to these countries and prevented them from growing and standing on their own feet. Instead, it provided mostly military aid and "exported" soldiers.

But now, many of these countries, such as Thailand, have changed. Only the Philippines is left. The reason is that besides the fact that it had close ties to the United States in the past, the Philippines is experiencing severe economic problems and cannot rely on itself. Thus, it has to receive aid from the United States. That is, the United States pays money in exchange for being allowed to maintain bases at one of the world's strategic points. The Philippine problem is a very sad matter.

Analysts have said that the communist problem in the Philippines cannot be solved until there is a government that can solve the problems of the farmers honestly and wisely. But where can the Filipinos find such leaders? Because the United States is supporting the country's economy and constantly interfers in the country's political affairs. Also, almost all of the leaders in the Philippines are very Americanized.

The growth of the communists in the Philippines is worth keeping an eye on because this could cause turmoil in this region and even lead to a "second Vietnam War."

Columnist Scores U.S. Support of Dictators

Bangkok SIAM RAT in Thai 1 Mar 86 p 2

[Article by Chaiyawat Yonpiam: "Uncle Sam, an Old Man With Many Sins"]

[Text] It is widely thought that the United States, or Uncle Sam, is a kind and generous country that is always helping others and that has done many good

deeds. But the United States always, or almost always, seems to meet with a bad fate. Because every "child" that the United States has raised has grown up to be an evil person.

Take Ferdinand E. Marcos, for example. The United States supported him for 20 years only to discover that he was hated by the people there. Finally, the United States had to allow him to go to the United States to prevent people from killing him.

The United States has many learned men, and many studies have been done. But no matter how many studies they make, they have never been able to figure out why they have had to suffer such retribution. Every time they have tried to "raise" people to govern their countries peacefully like the United States, these people invariably turn out to be despots.

Since the end of the Second World War, there have been many examples in Southeast Asia alone. One example was South Vietnam's Ngo Dinh Diem, who put on such airs that the military finally shot him. The United States looked for someone to replace him, but in the end the country was lost to the communists. One consequence is that there are now many Vietnamese living in the U.S.

The United States supported Laos, with the result that Gen Phoumi Nosavan, who once served as the prime minister of Laos, and a large number of his followers had to flee across the Mekong River into Thailand. This was because under American care, they had grown so fat that they couldn't fight the Pathet Lao communists. And so Laos was lost.

Another example is Gen Lon Nol in Cambodia. Sihanouk was a very unstable person. And so the United States supported Lon Nol when he overthrew Sihanouk. Again, the United States fed this general until he became very fat. Finally, he had to board an aircraft with his tons of booty and live in exile in the United States after the Khmer Rouge seized control of the country.

This happened in Thailand, too. Just ask people in Boston. They know that a "fleet marshal" from Thailand had to lie low there several times. The United States had supported him until things became too difficult. There were many street demonstrations before he was finally able to return to Thailand.

There are many other examples of the United States supporting such people. This has happened everywhere in the world with the exception of North America and Europe. What is the reason for this? A short answer is that the United States is like many Thai parents today who teach their children only material values and give them everything they want. They sometimes act fussy when they want money from the United States. But the United States doesn't say anything. For example, some countries "support the communists" so that they can ask for aid funds from the United States. The United States has much money. But the money just corrupts good people. The money that it pours in just spoils those people. The United States has never taught its "children" any moral values.

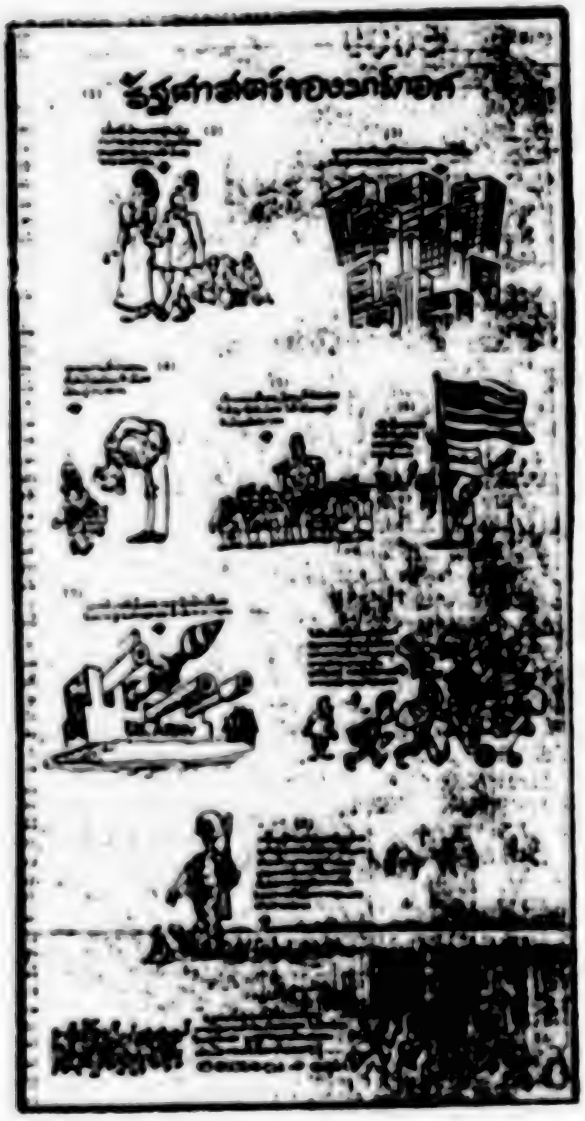
Children who have never been trained, regardless of whose children they are, will grow up to be spoiled if they have always been given whatever they want. Eventually, the people become fed up and take action against them. Only recently has the United States realized that it must also teach "moral values" and tell its "children" that they are bad. And if the child that America has raised cannot stay in its own country, the United States will have to let that naughty child come and live in the United States. But then the United States will start the same process again, raising another child who will grow up to be just like his predecessor.

I don't know how much longer this will continue. But as long as there are still communists in the world and and the people of the world want to protect their own interests, the United States will continue to raise such "children." That's normal.

Cartoon Blames U.S. For Marcos Excesses

Bangkok MATICHON in Thai 2 Mar 86 p 3

[Cartoon]



Key: 1. The political philosophy of Marcos.
2. When you have power, use it to seek pleasure amidst the suffering of the people
3. Maintain a monopoly of the country's economy within the family.
4. Appoint unemployed children, governors and government officials.
5. Give senior positions to relatives and friends.
6. Subordinate the country's sovereignty to a great power.
7. The "stomachs" of the people of the country are secondary to foreign military bases.
8. The Philippines is one of the poorest countries in the world. Instead of using the country's resources for the people, let the foreigners take all the resources.
9. When patriots can no longer bear the situation and rise up to protest the things that are ruining the country, declare martial law and use force to suppress them.
10. Such a political philosophy is nothing new. The same philosophy was used in Vietnam, Iran and Uganda. Everyone knows how this will end.

Cartoon Sees Alleged U.S. Manipulation of Leaders

Bangkok MATICHON in Thai 3 Mar 86 p 6

[Cartoon]

Key: 1. A hero from the west. This movie was made in the Philippines and other underdeveloped countries in the world.
2. Choose [illegible] leader of the country.
3. A le[illegible] will protect his own interests.
4. Give [illegible] tempt and support that person.
5. Give money to go observe activities and meet with senior people in order to know the policies.
6. Find a way to profit from the natural resources.
7. Create political and economic turmoil.
8. Until it is no longer possible to make any profits.
9. That leader is then abandoned and left to suffer disaster.
10. A new leader is appointed.

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CSO: 4207/191

THAILAND

REACTION DIVIDED OVER POSSIBLE RETURN OF U.S. BASES

Columnist Calls Bases 'Sale of Sovereignty'

Bangkok DAO SIAM in Thai 3 Mar 86 p 2

[Article by Sumet Chaochuti: "Don't Play With Interests"]

[Excerpts] Why has the United States interfered so openly in the internal affairs of the Philippines? The answer is that the United States is thinking of its own interests. Recently, Marcos took a more independent stance. Reagan does not care about anyone in the Philippines. The only thing that the United States is concerned about there is its two military bases, that is, Clark air base and the Subic naval base.

There are about 18,000 military personnel stationed at these two military bases. The bases provide jobs for 53,200 Filipinos and inject about $350 million into the economy. Based on the present agreement on the bases, which will expire in 1991, the United States pays the Philippines $180 million a year for the use of the bases. However, Marcos hinted that during the 1988 lease negotiations, he planned to ask for a four-fold increase in the payments. Mrs Aquino has said that she will allow the Americans to stay until 1991 but that she reserves the right to change the conditions. "But someday, these two bases will have to be removed," she said.

Why did the United States have to humor Marcos? There were two reasons. The first reason concerns Cam Ranh Bay, which is located 1,200 km to the west of the Philippines. During the Vietnam War, Cam Ranh served as an American naval base. Now, the Soviet Union, Vietnam's financial backer, has taken over the base and turned it into a spearhead aimed at the United States. Second, the Clark and Subic bases are strategic bases of great value. From these two bases, the United States can use the powerful Seventh Fleet to control the strategic sea lanes that the Western world uses to transport 80 percent of its war materials and spread U.S. naval influence to western Asia and the Persian Gulf.

It's obvious that the United States cannot remove its two bases. In the view of the United States, it's much easier to install a new president in the Philippines. Thus, if a country is in such dire economic straits that the deputy prime minister begins thinking about inviting the United States to

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[illegible] It isn't necessary to ask how many could of stuff among this nation. Recently, the Research Bureau held during a lecture on "Thailand and the Current Situation" at the Civil Service Commission, where its professional government officials who also [illegible] attend. He said that "we have no choice of allowing foreign military bases to be established in Thailand."

"To Be or Not Allowed Foreign Bases

Bangkok Post Weekly, 20 Feb. 19 [illegible] p. 1

[illegible] "U.S. Military Bases, 'Good' or 'Bad'?"

[illegible] [illegible] allowing that there is hard proof that United States establishing military bases in Thailand even though there has been no sign of this. This occasion on issue after important international problems. Recently, the Foreign Deputy PM [illegible] and the current deputy prime minister who belongs to the Thai Democrat Party, about the U.S. Base act. He said that the United States might be willing to give up the Base act in exchange for permission to establish military bases in Thailand.

At first, I was not interested and did not have this occasion to very much. Because what makes Thailand need the United States to remove the air force bases, which had been used to wage war in Indochina, in 1973. There was not even anything to indicate that the United States wants to establish military bases here again. But the matter did not end with this. Reporters went and interviewed our Chief Bureau, Phanyang Sukhanan, the deputy minister of defense. He said that "there has not been any contact. They must be the one to open contact." This is like "hinting a suggestion."

After listening to what above said, our force and army officers here said, I feel sure that something should be happening. This began when General Saiyut Kerdphol, the deputy prime minister, mentioned the possibility of the United States requesting permission to establish bases in Thailand. Even newspaper have said that he must have information as this because he is the deputy prime minister and is close to deep sources of information. The United States is probably getting out "Thailand."

The press said a week ago in Bangkok, the former U.S. secretary of state who been playing a role and are recently visited Thailand, to see if he could drop any hints. Besides this, an unusually large number of American businessmen and research have visited Thailand recently. This has generated speculations. There are other signs as well. The United States is having private conferring the bases in the Philippines. One of the problems are not too serious, the United States such base contingency plans.

However, there are two opposing views to allowing the United States to establish military bases in Thailand. The view in the agreement to the United [illegible]. The second view is the exact opposite. There are advantage in the second view in not believe that the establishment of U.S. military bases in Thailand will strengthen Thailand's security or benefit its economic, politically or culturally. They fear that if the United States establishes bases in Thailand, the Soviet Union will strengthen its bases in Vietnam. The

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"In the economic situation in which oil and electricity prices and interest rates have fallen, we feel that increasing the budget will stimulate the economy. If more jobs are created, state revenues will increase. There shouldn't be any problem in collecting revenues. If we just continue to tighten our belts, nothing will be achieved," said the deputy director of the Budget Bureau.

Mr Kerlie said that next week, Mr Bodi Chunhavan, the director of the Budget Bureau, will meet again with Mr Sawan Sukhavasu, the minister of finance, in order to reach an agreement before submitting the budget to the cabinet on 15 March.

"We will probably have to compromise. The budget will be at least 200 billion baht," said the deputy director of the Budget Bureau.

Mr Kerlie said that the military budget will be about the same as last year. Only salaries will increase, but this will not exceed 1-2 percent.

Lt Gen Prawat Sukosom, the director of the Military Budget Bureau, said that military development will be greatly affected if the government does not increase the military's budget. A development budget of only 25 million is not enough. The military should be allotted about 28 billion. But this depends on what the government decides.

"Salaries must be increased every year. If our budget is not increased, we will not be able to replace current expiated belts. If we are given an increase, we will use part of the money for development. We will purchase weapons. Our ships and aircraft are old. Recently, many of our aircraft have crashed," said Lt Gen Prawat.

Dr Tapha Simkasa, a Thai Nation Party MP from Phuket Province, said that he agrees with the Budget Bureau on the need to increase the budget for investment and development. However, in the present economic situation, we must continue to tighten our belts. The budget should be discussed point by point. Those items that are not essential should be eliminated. For example, the military budget should be considered very carefully. In the past, we were afraid of offending the military and didn't dare touch their budget. But in the present situation, we have to consider all aspects of the budget, including the defense budget. The military should tighten their belts, too.

"Besides this, we must control corruption. Today, large sums of money are lost. People wonder whether the government is really taking resolute action to control corruption. Our ability to do this depends in large measure on what kind of ministers we have. All of them must be honest people. You can't have an honest prime minister but corrupt ministers. The Thai Nation Party and the Social Action have submitted evidence of corruption to the prime minister on several occasions. Evidence was submitted about the 16 tour buses and the asphalt matter, but the prime minister wasn't interested and even tried to protect those involved. Thus, I don't believe that the prime minister is really interested in suppressing corruption. And if he tries to protect the dishonest people, he is guilty of corruption, too," said Dr Tapha in conclusion.

Military Displeasure Noted

Bangkok BANGKOK POST in Thai 11 Mar 88 pp 1, 16

[Unattributed report: "The Military Is Opposed to a Zero Growth Budget, Afraid That Budget Will Be Cut by 5 Billion"]

[Text] Military says that zero growth budget will have adverse effect on the military and asks what we will do if Vietnam attacks us. The Budget Bureau has said that, except for salaries, which must be adjusted every year, the military's budget will not be increased. It is expected that the military's "ORT" budget of 45 billion baht will be cut by 5 billion.

Lieutenant Colonel Sathanon, the deputy under secretary of defense, discussed the preparation of the military's budget. He said that the defense budget must be made at least 2 years in advance. This is done by making forecasts about general economic growth and inflation. "Therefore, we make mistakes. However, we will have to wait and see what the government's budget is. This will probably be discussed in April. In formulating the defense budget, we haven't set the budget too high because we know that the government is confronted by problems concerning domestic poverty and foreign debt. However, if the government proposes a higher budget, we will propose a higher military budget. But if the government uses a zero growth policy, the military will be affected. We have to purchase weapons and war materials from abroad. If the prices of these items increase while our budget remains fixed, we will not be able to purchase the stipulated number of weapons. The purchase of new weapons will have to be halted. We will have to economize or reduce expenditures and find some other way to protect the country."

Lt Gen Prawat Somsman, the director of the Military Budget Bureau, said that "we must increase the military's budget in order to pay salaries, which must be increased every year, and to develop the forces. Many of the weapons now in use have deteriorated. All three branches of service must be developed so that they are ready on all fronts. Will you let the fence collapse? If we don't increase the budget and Vietnam attacks us, what will we do? Although I am a soldier, I still wonder why the government doesn't allow a somewhat higher rate of inflation. The United States has permitted inflation to rise to 6.6 percent. Why doesn't it let the banking system help administer monetary matters instead of allowing all the money to remain buried at the national banks? If that was done, the economy might improve. They must increase the military's budget in order to defend the nation," said Lt Gen Prawat.

A senior Budget Bureau official said that the defense budget will not increase in "ORT". That is, it will be around 45 billion baht. Only salaries will be increased. This is in accord with the policy of the Ministry of Finance, which wants to keep public-sector expenditures, including military expenditures, to a minimum.

A senior official in the Ministry of Finance said that Supreme Command Headquarters has requested 28 billion baht for the development of the three branches of service in FY 1987. It is expected that this will be cut by about 5 billion baht in order to keep the military budget within the 40 million baht alloted by the government.

Budget Director on Refinancing Debt

[Bangkok NAEO NA in Thai 12 Mar 86 pp 1, 16]

[Unattributed report: "Prem Opposes 1987 Budget; Ceiling Will be 230 Billion; Money Will Have To Be Borrowed To Cover the Deficit of 42 Billion Baht"]

[Text] Prem disagreed with the FY 1987 expenditure budget proposed by the Ministry of Finance. Says that there are still several matters that must be considered. The budget deficit will be 42 billion baht. Money will be borrowed domestically to cover the deficit.

After the cabinet meeting at the Government House on the afternoon of 11 March, Mr Bodi Chunnanon, the director of the Budget Bureau, told reporters that the cabinet did not consider the FY 1987 budget submitted by the Ministry of Finance even though this was on the agenda. The prime minister asked that certain matters be considered in greater detail. "There are still several matters that must be considered in greater detail," said Mr Bodi.

Mr Bodi said that the FY 1987 budget will be approximately 220-230 billion baht. The budget has already been considered by the Ministry of Finance, the Budget Bureau, the National Economic and Social Development Board and the Bank of Thailand. They have considered the overall budget. The details have not yet been worked out. How much will be alloted to each sector has not yet been determined. Only revenues and balance payments have been stipulated.

"Ministry revenues are now being discussed," said Mr Bodi. He also said that the budget deficit is 3.5 percent of national income, or 42 billion baht. This money will be borrowed domestically. In particular, we will try to borrow most of the money from the Government Savings Bank. This is considered to be the government's source of savings, and it has the smallest effect on prices. The amount of money to be borrowed is up slightly from 1986.

Mr Bodi said that making cuts in the 1987 budget is still being considered. The budgets of certain sectors can be cut without affecting government projects. "The FY 1987 investment budget will be at least equal to that of 1986, which was set at 34 billion baht. Even though government revenues are limited, we will try to increase the national development budget."

"As for 1987 expenditures, there are loan debts and regular expenditures. We are looking for a way to extend the loans through refinancing in order to reduce regular expenditures. We admit that debt servicing will increase in 1987. Today, the debts are being serviced based on the obligations. We will consider increasing the limit as appropriate," said Mr Bodi in conclusion when asked whether all of the increase in the 1987 budget would be used to service the debt.

Gen Prem Tinsulanon, the prime minister, told reporters that the reason why the cabinet did not discuss the 1987 budget at this meeting is that there is still time to consider the budget. When he was asked whether it was because Mr Sommai Huntrakun, the minister of finance, did not attend the meeting, the prime minister refused to answer and went to his office.

Investment, Operating Budget Figures

Bangkok MATICHON in Thai 12 Mar 86 pp 1, 16

[Unattributed report: "Prem Postpones Deliberations on the 1987 Budget"]

[Text] A news report from the Government House states that at its 11 March meeting, the cabinet discussed matters on the agenda until approximately 1300 hours. The FY 1987 expenditure budget was still on the agenda, but Gen Prem Tinsulanon, the prime minister, asked that certain details be considered first. Thus, the budget was not discussed at the cabinet meeting.

The report stated that Mr Sommai Huntrakun, the minister of finance, did not attend this cabinet meeting to present details. Only a document containing figures and other data was submitted. But some of the details were missing. Thus, the prime minister postponed discussion on the budget until next week. Gen Prem Tinsulanon said that it wasn't necessary to discuss the budget because there is still time.

Mr Bodi Chunnanon, the director of the Budget Bureau, said that the Ministry of Finance had placed the 1987 expenditure budget on the agenda that day, but the prime minister asked that certain details be considered first. However, the budget has been set at between 220 and 230 billion baht. This has already been discussed by the Ministry of Finance, the Budget Bureau, the Development Board and the Bank of Thailand.

Mr Bodi said that as of now, the budget stipulates only total expenditures and revenues and how large the deficit will be. It has not yet been decided how much will be alloted to each ministry. The Budget Bureau is considering this now.

"The government's 1987 investment budget will be about the same as that of last year, that is, approximately 34 billion baht. Even though the government's revenues are limited, we will try to allot that much," said Mr Bodi. He said that the budget deficit will be 3.5 percent of the 1987 national income, or approximately 42 billion baht. The money to cover the deficit will be borrowed domestically. In particular, most of the money will be borrowed from the Government Savings Bank. This is the source of government savings that has the least affect on prices. The Bank of Thailand will try to keep the amount about the same as in 1986.

Mr Bodi said that he does not know what percentage the FY 1987 budget will increase. The FY 1986 budget was cut by 4 billion baht. Making additional cuts in 1987 is being considered. There is a factor that makes it possible to cut expenditures without affecting the government's projects.

A reporter asked whether the increase in the 1987 budget would be used to service the debt. Mr Bodi said that the 1987 budget contains both regular expenditures and loan debts. However, if possible, we will extend the loans through refinancing in order to reduce regular expenditures. But 1987 debt servicing will increase. We have to service the debts based on our obligations. We will do whatever is best in order to allot the money in the most appropriate way.

The FY 1986 expenditure budget was 218 billion baht.

Mr Subin Pinkhayan, the deputy minister of finance, said that the reason why the 1987 budget has not yet been discussed by the cabinet is that the details on revenues, particularly from oil, are changing very rapidly. If we set a firm expenditure budget now, mistakes could be made. However, in principle, the expenditure budget has been set at approximately 220 billion baht. How much this increases depends on the money received from the oil fund at a time when oil prices are dropping. If the price of a barrel of oil drops $1, 1.2 billion baht a month will flow into the country. How much of this is alloted to the 1987 budget is up to Lt Suli Mahasanthana, the minister attached to the Office of the Prime Minister.

Mr Subin said that in formulating the expenditure budget, no attention will be given to how much the economy will grow. Instead, the focus will be on domestic and external debt. It has been stipulated that the budget deficit must not exceed 3.5 percent of the growth rate of the GDP, or approximately 42 billion baht.

"Before the government can determine how much 1987 expenditures will increase, it must look at what revenues will be and what the surplus from oil will be," said Mr Subin. He added that as for slashing the 1986 budget, the Budget Bureau has proposed cutting approximately 2.25 billion baht. This will be submitted to the cabinet. But the cuts do not come from the national development budget.

Mr Subin said that 1987 expenditures will definitely increase. That can't be changed. This year's budget will exceed last year's by about 5 billion.

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THAILAND

EDITORIAL CITES HIGH-LEVEL POLICE LINKS TO RACKETEERS

Bangkok MATICHON in Thai 22 Feb 86 p 6

[Editorial: "The Black List at the Level of Superintendent"]

[Text] Immediately after the operation to suppress the illegal casinos in the city and several provincial areas, a police superintendent and police officers at other levels were suddenly transferred as if lightening had struck. Even though this is common for those who have committed minor infractions and some are dismissed from government service, what is even more interesting is that the minister of interior ordered officials to keep a close watch on this. A black list of police officers was even prepared.

However, the black list contains only the names of local influential people, godfathers and hoodlums who pose a threat to society. The Ministry of Interior ordered this list prepared in order to facilitate suppression. The fact that the minister of interior has a black list of police officers up to the level of superintendent shows that there is no difference between certain police officers and the racketeers.

The question is, now that police superintendents, who are equal in rank to provinial governors and regimental commanders, have been placed on the black list of the minister of interior, what criteria can ordinary people, who do not know the inside story, use to make comparisons and differentiate law abiding people from criminals?

Something worth noting about these disciplinary transfers is that the Police Department did not transfer the officers from the city to remote provincial areas, which is tantamount to placing the burden on the rural people. Instead, the police officials were transferred from the suppression sector to the education sector. This shows the change in disciplinary methods used within the Police Department. It also shows the level of knowledge of these police officers, all of whom have such a high level of education that they are prepared to educate and train future police officers.

A problem that should not be overlooked is that even though these police officers have a master's degree from abroad and the qualifications to serve as instructors, instead of using their knowledge and talents to serve the people, they became involved with casinos and served influential people operating

outside the law. In such circumstances, there is great doubt about whether they will be able to fulfill their duty as instructors. That is, if the models are no good, won't their products be even worse and create even more problems in the future?

The fact that the minister of interior, who is in charge of the Police Department, has ordered people to keep a close watch on the certain police superintendents and has prepared a black list is an indication of the deep rot in police circles. But what many people have overlooked is that if we don't want the Police Department to decline and lose its reputation, why don't we help monitor things in order to prevent corruption, which leads to black lists?

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THAILAND

SHARE FUND TIED TO POLITICIAN-MINISTER, DEATH THREATS NOTED

Bangkok SIAM RAT in Thai 10 Mar 86 pp 1, 12

[Unattributed report: "Minister Involved in Share Fund, Used Money 'Under the Table'"]

[Text] The Nokkaeo oil share fund collapsed, and the operator, Flight Sergeant First Class Nokkaeo Chaiyen, is still wanted by the police. In his capacity as the lawyer for the plantiff, Mr Chatri Simakhoton, the head of the Dutthipanthit Legal Affairs Office and a tax lawyer, who is responsible for recovering the assets of Flight Sergeant First Class Nokkaeo Chaiyen and returning them to the creditors, revealed that assets valued at several hundred million baht, had been transferred to a senior politician at the ministerial level, an advisor to the prime minister, businessmen and several other important people.

On the morning of 9 March, Mr Chatri further disclosed that after SIAM RAT published this story, several people expressed great interest in this. Newspaper and television reporters came and asked about the progress being made in this case.

However, some of the people who contacted him were very upset with him for disclosing information about the Nokkaeo share fund to SIAM RAT. They were particularly upset about the disclosure that assets had been transferred to a minister and an advisor to the prime minister.

Mr Chatri said that after he agreed to take this case, he and Mr Kowit Chipaphop, a lawyer and the assistant head of the legal affairs office, had received several death threats. People also threatened to bomb the legal affairs office. Most recently, at 0900 hours last Sunday, someone telephoned and threatened to blow up the office if he continued to interfere in the Mae Nokkaeo share fund case and disclosed any more information about the involvement of certain people.

"I am not worried. If I die, I die. I am doing my duty. This is my job. I do not harbor resentment against anyone. I will pursue this matter to the end," said Mr Chatri. He also said that prior to this, some people had used weapons

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If Thailand does not sign the new accord and accept free trade, the EEC will seek to pressure imports from Thailand, and in a free trade scenario, it is hoped that the amount of goods exported from Thailand to the European market will increase substantially. This would result in a rise in the domestic price of rubber and help the farmers.

There is confidence that an agreement will be able to pass successfully in a Parliament sitting because of the fact that the number of high income in the EEC increased from 7[illegible] billion in 1973 to 7[illegible] billion in 1985. A country of rubber not accepted means income is fast too high. Middle income earners and middle and average income are more willing to accept free trade for rubber and poultry. Because of this, there is great confidence in this export market.

Furthermore, after 1985 when imports rubber were put into Thailand, the EEC imported more and exported more without imposing duties on import quotas. That is, during the period 1[illegible] to 1985, the EEC imported 1,[illegible],1[illegible],1[illegible] and 1,[illegible] tons of rubber tubes and 1,[illegible],1[illegible],1[illegible] and 1,[illegible] tons of rubber tubes respectively.

Thus, the EEC has discussed different policies of importing rubber from Thailand and other trade and partner countries that other countries, particularly the United States. They generally feel that the United States is a big market which Thailand is just a small country that they can stop the business with. Thailand has lost export opportunities.

Another reason for exporting rubber products to countries is that the EEC faced a situation that has problems, that is, taxes and tariffs. It is thought that this will need about 1 million tons of rubber a year.

Finally, the problem is that if we export to all reasons, the EEC might set higher import tariffs, which would make that goods more expensive. The Institute for Economic Development Policy that the EEC will raise tariff rates after negotiating with the major exporters, that is, Thailand. If the EEC accidentally changes import tariffs, it would have to pay Thailand compensation of [illegible] billion a year, which would be more than the EEC has given Thailand to grant which stop in place of reasons.

Another fear is that the EEC may violate general policies at a time, which would results in the per higher tariffs. But the main Thailand has not faced that that will happen because it was stated in GATT that countries around the Tiger are different goods.

Thus, engaging in free trade with the EEC might be more beneficial. It would probably be wise to export all products made of rubber a year to the EEC. In the remaining the period ensure, the economic disparity cannot only manage cost to the Between Trading Countries. The problems should be solved, and the old problems should be overcome, because the benefits outweigh the costs, and the risk.

Tiger

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[redacted] A news source in the Marine Police Division issued a [redacted] about the serious problems that are hindering the Marine Police Division in its efforts to carry out its duties. He said that at present, at least [redacted] boats (excluding launches) are needed to carry on river operations. But the Marine Police Division has only [redacted] boats, or only [redacted] percent of the number needed. Most of these boats are older boats, and the equipment is outdated. This is particularly true of the boats that operate along the Beijing River. As for boats that operate in the seas, the Marine Police Division needs at least [redacted] boats but now has only [redacted], or [redacted] percent of the number needed. However, these boats are quite modern.

The news source said that the shortage of these two types of boats becomes even worse when boats have to go to for repair or routine maintenance. This reduces the number of boats available for use. This problem shows that the fact that the budget of the Marine Police Division is very small. Even though the division has received better support recently, the price of boats, the division's principal means of transportation in carrying out its duties, has increased, too. Because of this, the division cannot purchase enough boats. In particular, the marine police while operating in the Beijing River cannot adequately carry on joint operations with the Beijing River Operations Unit [redacted].

The news source said that besides causing a shortage of boats, these budget problems have made it impossible to upgrade other equipment such as weapons, radio equipment and radar. Because of this, it has not been possible to improve operations capabilities.

The news source said that the Marine Police Division is short of manpower, too. At present, it has duties for [redacted] men, but it does not have that many men. Even though the work of this division has increased recently, the number of personnel in the division has increased very little.

A news report stated that at the end of February, Police Sub-Lieut Pracsai Chuasai, the commander of the Marine Police Division, prepared a report concerning the problems of the Marine Police Division and sent it to Police Lieut Barong Ratanon, the Director-general of the Police Department. He also reported the results of last year's operations.

The summary report that the Marine Police Division sent to Police Gen Sarong stated that commissioned officers assigned to the Marine Police Division are sent to the educational institutions of the military services and Police Department only occasionally and in very limited numbers. There are few development activities for NCO personnel. As for police privates, the Marine Police Division provides them with some basic training. Thus, besides suffering a shortage of personnel, the division also has problems concerning the quality of its men. There is a shortage of superintendents and deputy superintendents to carry out the administrative tasks and supervise the technical and mechanical aspects of operating the boats.

"Another major problem is that the private sector entices many police officers who have attended the naval academy and who have great skill in operating boats to go work on commercial boats," said the news source.

The news source said that while the Marine Police Division is responsible for the entire coastal area, because of these problems it cannot carry on operations everywhere. The area is simply too large given the division's limited manpower. Besides this, Thailand is influenced by the annual northeastern and southwestern monsoons. The operating efficiency of the division's small boats that operate in the gulf of Thailand and in the Andaman Sea is reduced when they encounter monsoon storms.

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THAILAND

COLUMNIST PRAISES NORTH KOREA LEADERSHIP

Bangkok SAN KHOM in Thai 16 Feb 86 p 4

[Stop the World column by "Prasanan": "Korea and Leadership in the Future"]

[Excerpt] President Kim Il-sung restored the country's economy by emphasizing heavy industry and using the country's existing raw materials, that is, iron ore and coal, to carry on production. Light industry was expanded. Water power was used to help generate electricity. Agriculture was expanded, and water was piped to the production areas, including desolate areas. Fertilizer plants were established, and agricultural equipment was manufactured. Because of this, North Korea now produces enough food for domestic consumption and export.

Kim Chong-il carries on party and national administrative activities side by side with President Kim Il-sung. It is generally accepted that he will be the next leader of the Democratic People's Republic of Korea.

When foreign journalists visited North Korea last year, the journalists were invited to go to a museum where articles that various countries have given to Kim Il-sung and Kim Chong-il are kept. One building is filled with valuable articles that countries have given to President Kim Il-sung. Another building is filled with items given to Kim Chong-il. The articles are of great value. This shows the honesty of these leaders.

On 16 February, North Korea held a grand celebration on the 44th birthday of Kim Chong-il. The people gave him flowers as presents. These will be planted in various localities and will belong to all the people.

(END)
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THAILAND

LT GEN WICHIT SUMMAS PROFILED

Bangkok DAILY NEWS in Thai 3 Mar 86 pp 5, 15

[DAILY NEWS Square column by Santhana: "A Talented Soldier, Lt Gen Wichit Summas From West Point"]

[Text] A soldier who is beginning to play a major role in military circles because of his great knowledge and talent and who has held many important positions is Lt Gen Wichit Summas, the chief of the Territorial Defense Department. Many people feel sure that if he is not promoted this April, he will definitely be promoted in October.

Lt Gen Wichit Summas, the chief of the Territorial Defense Department, was born on 10 June 1933 in Nonthaburi Province. He attended primary and secondary school at the Kalatha Thrit School in Nonthaburi, graduating in 1947. He then entered the military preparatory school. Because he was a good student and placed first in the examination, he was given a scholarship to attend West Point in the United States, from where he graduated in 1957. In 1958 he attended the armored platoon leaders school at Fort Knox in the United States. He completed the course at the Army Command and General Staff College as a member of Class 6 in 1966. He attended the U.S. Army Command and General Staff College at Fort Leavenworth.

He has held the following important positions: In 1959 he served as an instructor in the Education Department at the Armored Cavalry School, Cavalry Center. In 1960 he was made a tank platoon leader with the 9th Tank Battalion, 20 Cavalry Regiment. In 1963 he served as an instructor in the Education Department at the Cavalry School, Cavalry Center. In 1966 he served as a staff officer at the Chulachomklao Royal Military Academy. In 1970 he served as the assistant head of the intelligence section with the Volunteer Division in Vietnam, first relief, second component. He was assigned to the army Intelligence Department in 1971. In 1972 he was assigned to U.S. headquarters in Korea. In 1973 he served as the head of the intelligence section and head of the operations section, 1st Cavalry Division. In 1975 he was made an instructor at the Army Command and General Staff College. In 1976 he was appointed deputy commander of the 30 Cavalry Regiment. In 1978 he served as a staff officer. That same year, he also served as the assistant army attache in the United States. Before being appointed chief of the Territorial Defense Department, he served as commandant of CRMA.

As for field service, he served in Laos in 1966, in Vietnam in 1970 and in Korea in 1972. In 1973 he took part in the terrorist suppression operation carried on by the forward cavalry division in Nan Province. In 1977 he participated in the communist suppression operation carried on by the forward cavalry division. As for special duties, he served as assistant army attache attached to the Thai embassy in the United States during the period 1979-1981. In 1982 he was appointed aide-de-camp to the King. He is married to Achan Chintana Summak. They have three children. He will probably play a major role in the near future because he is a favorite of "Big Daddy," or Gen Prem. They have been very close ever since they met in the United States. Big Daddy was observing activities there, and Lt Gen Wichit Summak was a student.

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THAILAND

BRIEFS

ANTI-PIRACY TRAINING FOR FISHERMEN--Mr Montri Muangbun, a fishing official in Trat Province, said that the navy, in coordination with the Post and Telegraph Department, the Department of Fisheries and the Fishermen's Association of Thailand, will hold a training class for fishermen from 24 to 28 March at the Trat community center. The course will concern fishing for national security and a Sea Volunteer Defense Corps. The objective of the course is to get fishermen to cooperate with officials in defending against illegal activities at sea and controlling and suppressing piracy. This will be of benefit to national security. They will also discuss establishing groups to defend themselves and help the people and organizing a Sea Volunteer Defense Corps based on the order of the VDC Center. Those interested in taking this course can obtain details and submit an application at the Muang District headquarters in Trat Province during working hours from now until 15 March. The number who may attend is limited. [Text] [Bangkok NAED NA in Thai 9 Mar 86 p 3] 11943

LABOR UNION MEMBERSHIP--At a conference of the Employees Council of the Labor Confederation of Thailand held in the auditorium of the Teachers' Institute on 9 March, Mr Nikhom Chantharawithun, the chairman of the National Labor Development Advisory Board, said that at the end of 1985 there were 444 labor unions nationwide. Of these, 96 were state enterprise labor unions and 348 were private unions. Mr Nikhom said that approximately 250,000 laborers belong to a labor union, which is 6 percent of the total number of laborers nationwide. In neighboring countries such as Sri Lanka, Singapore and Japan, approximately 30 percent of the laborers belong to a labor union. Mr Nikhom said that even though the Thai labor movement has made steady progress since it was founded, there are many things that must be done to improve the movement. He asked the Employees Council of the Labor Confederation of Thailand to take steps to improve and strengthen the labor movement. [Text] [Bangkok NAED NA in Thai 10 Mar 86 p 16] 11943

TAPIOCA QUOTA--Tapioca exporters are upset because the Ministry of Commerce has set the quota on exports to the EEC at only 9 percent of net stocks, which total approximately 2.26 million tons. Because of this, the quota for exporters in the recent period was only 204,178 tons. The exporters feel that that is very little. The quota alloted to each one is very small. And there are large quantities of tapioca on which they will have to pay interest. As a result of the recent allotment of quotas, the price of string cassava fell from 2 baht per kg to approximately 20 satang [1 satang equals 0.01 baht] per kg. At present, the exporters are complaining vociferously and are preparing to go see Police Cpt Surat Osathanukhro, the minister of commerce, in order to ask why the quota was set so low. [Text] [Bangkok SIAM RAT SAPDA WICHAN in Thai 9 Mar 86 p 13] 11943

KHMER GUERRILLAS FIGHT BORDER POLICE--At 0900 hours on 11 February, Police Warrant Officer Chuai Hinthon, the leader of a reconnaissance team from the 1st Border Patrol Police Company Headquarters, and a team of BPP and Volunteer Defense Corps members were conducting a patrol approximately 4 km from Ban Nong Phak Saen in Thap Lat Subdistrict, Taphraya District, Prachinburi Province, when they encountered 15 Khmer guerrillas armed with AK rifles and RPGs. They were approximately 20 km inside Thailand. When the Khmer guerrillas saw the Thai officials, they began firing. The clash lasted about 20 minutes. The guerrillas then withdrew. The officials pursued them and found one body. They also found spots of blood and signs that the guerrillas had drug off their dead and wounded. The guerrillas had headed in the direction of the Khao Idang Khmer refugee camp, which is located approximately 7 km southeast of the scene of the clash. [Excerpt] [Bangkok THAI RAT in Thai 12 Feb 86 pp 20, 6] 11943

CSO: 4207/195

INTERNATIONAL RELATIONS, TRADE, AND AID

HUNGARIAN ENVOY HAILS COOPERATION ON ANNIVERSARY

BK051407 Hanoi Domestic Service in Vietnamese 0500 GMT 4 Apr 86

[Statement by Hungarian Ambassador to the SRV Bola Benyei on 41st anniversary of Hungarian Liberation Day, place and date not given--recorded, in Hungarian fading into Vietnamese translation]

[Excerpt] Together with countries in the socialist community, Hungary maintains a consistent cooperation with progressive forces in the world. We are also ready to cooperate with countries of different social systems on the basis of peaceful coexistence and mutual interests. Our aim is to replace the trend of armed conflict and confrontation with that of cooperation and detente.

The Hungarian nation and people have very close ties with the Vietnamese nation and people thanks to the long-standing friendship and the common socialist goal of the two countries. The friendly relations between our two parties, nations, and peoples are developing actively and effectively on the basis of the Hungary-Vietnam Treaty of Friendship and Cooperation signed in November 1984. Cooperation in the economic, trade, cultural, scientific, and technological fields is being expanded and modernized. In the future, Hungary will continue to assist the Vietnamese people to maintain and develop their socialist gains.

The Hungarian People's Republic supports the Socialist Republic of Vietnam's efforts to bring about peace, security, and good-neighborly cooperation in Southeast Asia. It fully supports the effort to hold talks to solve regional problems through peaceful means.

We believe that our cooperation will effectively serve our people's interests and the socialist community's solidarity, peace, and social progress. In the future, the Hungarian people will do their best to strengthen this task.

In this spirit, and on the occasion of Hungarian National Day, I wish the SRV peace and happiness. I wish the Vietnamese people, under the CPV leadership, ever greater achievements in building their socialist fatherland into a prosperous nation and in triumphantly preparing the Sixth CPV Congress. Thank you very much for your attention.

/9738
CSO: 4209/433

INTERNATIONAL RELATIONS, TRADE, AND AID

BRIEFS

SWEDISH POWER PLANT AID--Hanoi, 3 Apr (VNA)--With Swedish assistance, the first stage of restoring the Thu Duc Thermal Electric Power Plant in Ho Chi Minh City has been completed 2 months ahead of schedule at an expense of 37 million kronor. The plant with its capacity raised from 75,000 kW to 99,000 kW now can turn out some 100 million kWh more this year for production and daily life in southern Vietnam. The second stage of restoring the plant will start in June at a planned expense of 45 million kronor. [Text] [Hanoi VNA in English 1528 GMT 3 Apr 86 OW] /9738

PDRY RECEIVES SRV ENVOY--Hanoi, 5 Apr (VNA)--'Ali Salim al Bayd, [surname as received] general secretary of the Yemen Socialist Party Central Committee, has received Le Mai, Vietnamese Ambassador to the People's Democratic Republic of Yemen (PDRY). Ambassador Le Mai conveyed Vietnamese party and state leaders' best regards to their Yemeni counterparts and wished that the fraternal Yemeni people would overcome all difficulties and continue their revolutionary cause. Speaking on this occasion, 'Ali Salim al Bayd highly appreciated the Vietnamese people's revolutionary cause and wished for further consolidation and development of the solidarity and friendship between the two parties, peoples of Vietnam and the PDRY. [Text] [Hanoi VNA in English 1513 GMT 5 Apr 86 OW] /9738

GIFT FROM SOVIET UNION--Hanoi, 5 Apr (VNA)--The Union of the Consumer Cooperatives of the Soviet Union has donated Vietnam five cars and one million roubles in fabrics and clothes and 280 tons of soap. The gift was received at a ceremony recently held here by the managerial board of the Marketing Cooperatives of Vietnam. [Text] [Hanoi VNA in English 0725 GMT 5 Apr 86 OW] /9738

LAO DELEGATION DEPARTS--Hanoi, 5 Apr (VNA)--A delegation of Laos' Ministry of Culture led by Thongsing Thammavong, minister, left here today concluding a nine-day visit to Vietnam. During their stay the Lao guests were warmly received by Hoang Tung, secretary of the Communist Party of Vietnam Central Committee. A protocol on cultural cooperation for 1986 between the Vietnamese and Lao cultural ministries was signed Friday by Vietnamese Cultural Minister Nguyen Van Hieu and Minister Thongsing Thammavong. The Lao delegation compared notes with the Vietnamese side on the cultural guidance and management. It also visited several cultural establishments in Hanoi and Ho Chi Minh City. [Text] [Hanoi VNA in English 0715 GMT 5 Apr 86 OW] /9738

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accounting and economic business practices is so cost to efficiently stay in production and business.[1]

This excluding hermeneutic methods are more economic rationality in a manner so both sorry and without mechanics are regard. However, we do not exclude it but the case of excluding it, but we must cooperatively and fully match to economic accounting and economic business practices.

Hence is necessary to economic accounting and economic business practices in order, including to doing economic and other current calculations, profits being increasingly substituted to the share, and enterprises consequently running production with greater productivity, quality, and economic results further back in the long run. Productivity and economics alone must be professionally in accounting as cost centers at any cost. If we have chosen to doing business, there is no have for economic accounting and economic business practices.

In fact, causes doing business in a manner that excite our consumption and accounting our prices for production and business. On the other hand, we must fully understand the characterization that is the network of production and business in the economic context, namely, economic accounting, and to business on the basis of planning, with plans being the master of our economic management course.

Dennis Dominguez in Sum said, "Plans that are not linked with economic accounting and economic business practices are only conjectures productive of hermeneutics analysis organs being out off the company site. Economic accounting that does not have place on the market lowers the net income and, if we longer economic accounting, our income turned to non-nominal of prior cost. Business practices that are separated from plans kick every morning from economic guidelines and producing the influencing flow of the in or out of market."

According hermeneutical methods of more economic and totally relating to economic accounting and economic business practices are the source of our question, the question of outlooking is the economic management accounting. Trying to analyze the old economic cases being unable to build a new enterprise, which if built will create a loss. For quickly analyzing the old one. However, excluding the old enterprise and building a new one is very difficult and requirement have that cannot be fulfilled in a short time, and as the Philosopher Dennis has pointed out, "Lengthening the resolution is the entire process of struggling in a total, continuous, resolute, and urgent manner, with every step to be made."

The resolution of the Dennis Dominguez was this to say, "If all the times of state subsidies the one that is accomplished through policies in the most serious case." Therefore, we are fight hermeneutic against risk and state subsidies, the first and most important thing to do is to fight corruption activities—to put an end to the phenomena situation in which the state has to provide subsidies to companies for losses. Calculate correctly and fully the return of investment, calculate all sunking factors and correctly determine the cost of industrial products, insurance correctly the risk of storage

need to balancing commodity to ensure profitable normal export-import business, and reorganize the circulation among supply of materials, domestic trade, foreign trade, and so on by immediately doing away with the unnecessary intermediary links to allow goods to go directly from the place of production to consumers (including direct consumption and consumption for production) through the shortest route, and so on.

However, reality has shown that we cannot achieve overnight all of these things, but instead we must take one step after another. We are implementing Resolution 8 on prices and wages while the environmental situation is far from stable, production is not yet steady and still faces a lack of balance in many aspects, the market continues to show fluctuations, the budget and cash deficit remains large, and the mechanism of bureaucratic centralism and state subsidies has been condensed but remains quite evident in our management policies, procedures, and regulations. The actual situation that lies ahead requires that we take appropriate steps to ensure good results, to create favorable conditions for continued progress, and to avoid causing bad changes and unnecessary troubles that will worsen the unstable environmental situation. Therefore, according to the resolution of the Political Bureau, the task of calculating all expenses and evaluating state subsidies and implementation for losses in the national economy must be done in steps in suit the actual situation that lies ahead so as done toward carrying out the principles set forth in the Central Committee resolution.

The same applies to the question of wages. Totally abolishing the system of state subsidies and fully carrying out the principle of distributing wages on the basis of labor cannot be achieved overnight because our financial capacity does not allow us to do so. On the other hand, substantially and immediately resolving many complicated matters will delay carrying out the new wage system.

Consequently, in the struggle to abolish the mechanism of bureaucratic centralism and state subsidies, we must fight the tendency to be conservative, to act too slowly, and to fail to correctly implement party resolutions; on the other hand, we must also fight the tendency to be impatient and perfect and to want to abolish immediately everything within a short time. We not hesitate to abolish whatever that can be abolished immediately. But as to the things that cannot be abolished immediately, we must temporarily accept any transitional forms and measures. The steps that are appropriate for the actual situation and conditions are not only steady steps but also the fastest steps.

In this spirit, our party and state have decided to apply a transitional solution: fix set prices of imported materials and prices of other major means of production on the basis of the prices and exchange-rate relationships that are taking shape on the social market, to make sure that the production costs and selling prices of products, the retail prices of consumer goods, and the payment charges for services do not go beyond society's purchasing-power capacity, nor do they "lift" market prices beyond any bearable levels, or distort the relationships between prices and wages.

This way the state budget continues to shoulder these compensations for losses although the level of compensation is lower than before. And although it deals with this with restraint at the "entry end," the state must continue to compensate for losses at the "exit end" in regard to retail prices of such industrial consumer goods as drilling paper, cotton materials, glassware, rubber and metal goods, books, newspapers, and so on. As to some other kinds of goods like iron and steel, gasoline and oil, etc., we must also distinguish between prices being charged when they are sold either to the state-operated production sector or to farmers who use them as means of production and to consumers, which means that these products still are sold at two or three prices for some time.

Thus the adjusting of prices this time still does not totally abolish state subsidies; the state must continue to compensate for losses although the amount of compensation is smaller than before. As we are forced to accept this transitional solution, we see more clearly the urgency of striving to arrive at "the right prices." Setting up the right prices is an entire process. This process is "the sufficient time" for production installations and enterprises to develop the ability to take initiative in terms of reducing production costs, raising productivity, quality, and production and business effectiveness, and setting up rational costs, i.e., the costs of production that are "correctly calculated" and "fully calculated" to include the expenses that are really necessary for the sending of products, instead of the excessive and incorrect calculations that exist today. At the present time, the "ability to reduce production costs" of products remains very great and can be fulfilled in a relatively short time, provided that there is a correct mechanism and that all production installations and enterprises are determined to abolish bureaucratic centralism and state subsidies and to switch to economic accounting and socialist business practices.

III. To fully understand the rise in further reinforcing the working people's collective ownership in economic sectors while resolving the question of prices-wages-money.

The socialist revolutionary line advanced by our party points out that the working people's collective ownership is the "nature" of the new system; the system of the working people being collective masters is the "all-inclusive objective" and principal "content" of the socialist revolution in our country. In the collective-ownership system, collective ownership in economic sectors is the point of foremost importance.

As we resolve the question of prices-wages-money in the spirit of Resolution 9 this time, first of all and most importantly we must ensure that all sectors, economic, and basic-level production and business units are the real masters. Abolishing bureaucratic centralism and state subsidies and totally switching to the new economic management mechanism really is aimed at that purpose. What is decisively significant is that we must adopt early and carry out a system of financial self-support among enterprises. "All units must rise to their place as the central point, exercise the right of ownership, calculate economic effectiveness, mobilize all of their forces, further develop all growth factors, exploit all potential capabilities through domestic integration and export-import in order to draft and fulfill their plans in the

most effective manner, be financially self-supported, pay by themselves all expenses, and get lots of profits and distribute these profits in a correct manner among three interests--the interests of society, units, and laborers."

Set up a planning mechanism to ensure that plans are the strongest lever in the system of economic levers and really contain a great encouragement for basic-level units, localities, sectors, and laborers to uphold the spirit of ownership in production and business.

Achieve the basic three-level collective ownership system, which is reflected in drafting plans at three basic levels--national, local, and basic-level unit. The collective-ownership three-level planning means each level is the real master of its plans, which it drafts, balances, defends, and carries out; all basic levels and localities are given a broad authority to rely on the guidelines, tasks, and major goals of the country as a whole to exploit the potential capabilities of their units, to promote dynamic production and business in order to obtain good results, to ensure rational distribution, to improve the standard of living of laborers, to respond to their units' need to achieve expanded reproduction, and to contribute more and more to the country's industrialization.

Resolving the prices-wages-money question must reach the state and working people being masters in distribution and circulation. Prices must ensure harmoniously combining all three kinds of economic interests; the interests of society as a whole, interests of collectives, and interests of individual laborers; the interests of then central, local, and basic levels, and so on. Prices must ensure for enterprises and producers the ability to cover production expenses and to make profit, normal production activities, and accumulation for the state. Selling prices must ensure stability for laborers to be masters of their own living.

The wage system must ensure that laborers can live on their wages and have a portion of the latter for bringing up their children.

The mode of distribution must ensure that laborers can control their legitimate income.

In order to control distribution and circulation, the state must get hold of goods and money and control the market. Achieve at any cost state control of the very sources of goods and their direct distribution to consumers. On the other hand, strictly manage the circulation of money, stabilize and consolidate the purchasing power of money, and quickly increase the money cycle. /Controlling the market/ is now the hardest problem our state is facing. The socialist commerce (state commerce and marketing cooperatives) must expand its network and renew the mode of business in order to move toward controlling the market in both urban and rural areas, in both wholesale and retail sales. Achieve early the socialist transformation of private commerce, which includes people doing small business and providing services, and do better the market-managing job.

As we ensure promoting the working people's collective ownership right in economic matters, we must thoroughly understand the view on workers and

farmers jointly being masters in resolving the prices-wages-money question. The farmer class in our country has submitted itself to the party leadership ever since the party was born and, along with the worker class, is the main-force army in the people's democratic national revolution, as well as in the present socialist revolution. Thus our farmer class is not only the ally but also /along with the worker class the collective master/ in every way under the leadership of the worker class.

Jointly being the masters means having equal obligation and interests, and equal responsibilities and interests, and all of this must be expressed in economic policies and measures. Although we say they jointly are masters, since the state decides everything about the production plans, distribution, and sharing of cooperatives, and since purchases are made at forced prices, without immediate payment and without strict observation of the contracts that have been signed, we thus cannot say they jointly are masters. Therefore, resolving the prices-wages-money question this time must ensure reflecting and strengthening the worker-farmer relationship of jointly being the masters in economic matters. For instance, the planning mechanism for the cooperative sector must be actually decided by a congress of farmers-cooperative members as Resolution 6 of the Central Committee requires; distribution and sharing of profits must be decided by the cooperatives; dealings between the state and farmers must be really based on the principle of mutual agreement, without purchasing at low and forced prices, without compelling farmers to provide free transportation, and so on, as the state price policies must reflect the spirit of encouraging farmers to step up agricultural production. The relationships between industrial goods and farm products must reflect the interests of both the state and farmers in the spirit of joint worker-farmer ownership. The policies about credit and selling prices of the means of production and materials must also reflect this spirit.

On the basis of the spirit of the Central Committee resolution, criticize and fight the view on only demanding farmers to fulfill their obligation and failing to realize that the state and worker class also have their own obligation toward farmers, on only thinking of the interests of the state and disregarding those of farmers, and so on. On the other hand, strengthen political and ideological education to let farmers clearly see such matters as production, distribution, and circulation, mostly prices within the framework of the overall view, and to ensure development for both agriculture and industry and a stable standard of living that is gradually improved for both farmers and workers.

IV. To successfully implement the Central Committee resolution in a firm, urgent, and synchronized manner, with steady steps to be made.

1. Renewing the prices-wages policies and economic management mechanism is a great change of revolutionary significance, a strong and profound change not only in prices and wages but also in commercial, financial, and monetary matters, and opens up a turning point in our switching from the management mechanism based on bureaucratic centralism and state subsidies to a new mechanism, the mechanism of economic accounting and socialist business practices.

These are extremely complicated matters that require us to carry on a fierce multifaceted struggle to achieve them, for they touch all aspects of the social, ideological, and psychological life, including the ways of thinking, living, working, and so on. Because they directly affect the life of every individual, the nation's economy, finance, and so on, we must be /urgent and resolute/ and also take /steady steps./ As we go from resolutions to materialization of resolutions and their inclusion in the multifaceted life, we cannot be impatient if we want to be successful, must have time, and must do /good preparatory work/ in all fields--ideological work, organization of cadres, policies, measures, goods-money forces, and so on.

As to assuming leadership over implementation, uphold the view on /synchronized action/. Resolve /in a synchronized manner/ and simultaneously and closely link together all three matters of /prices-wages-money/ which are not to be separated from one another. Naturally, these are very complicated and very great fields of activities which we cannot deal with all at once and totally, but instead we must carry them out in steps, but even /in each step there must be synchronized action./

The most important thing is that the state must /be able to control the market,/ first of all in terms of grain and other essential goods and materials, so as to make sure that it can control the very sources of goods, distribute them directly to consumers, tightly manage the market, and strive to stabilize the market and prices. Firmly maintain prices and the new price structure. To be able to do so, rearrange and reorganize production, mostly at the basic level. Combine at any cost market transformation and management with control of goods and money, and expand activities and improve the mode of business for the socialist commerce.

In addition to implementing the new policies on prices-wages-money, renew the economic management mechanism in order to switch to economic accounting and socialist business practices; /set up early the new management mechanism/ so as to push the economy toward in-depth development; and exploit better the existing production system, for the purpose of fulfilling the goals of raising labor productivity and product quality, reducing material losses, lowering production costs and circulation expenses, and fully using labor, land, and other resources.

As an immediate step to take, all sectors and echelons must create a base for their units to /be able to do economic accounting./ Quickly issue new policies, procedures, and regulations in order to turn the resolution into reality.

2. Resolving the prices-wages-money matters and renewing the economic management mechanism are very complicated matters, very great matters that have to do with national policy and people's life; therefore, we must uphold the concept of organization and discipline. All sectors and echelons must seriously enforce discipline in regard to prices, wages, and state financial and monetary matters. Severely punish all acts of changing the price levels and rates determined by the Central Committee to suit one's convenience. The positions and measures taken by sectors, localities, and basic-level units must not be contrary to Central Committee and Political Bureau resolutions.

Keep all economic policies and measures secret until they are made public and their implementation is organized.

Maintain absolute vigilance, guard against all enemy plots, and punish in time all acts of sabotage of the enemy and the remnants of the bourgeois force, particularly the acts of undermining price policies and sabotaging the market.

3. Strengthen ideological and cadres' work in conformity with the need to renew the economic management mechanism, and ensure successful implementation of the resolution.

4. Step up control and discover in time any shortcomings and failures in the course of implementing the resolution so as to correct and supplement in time the necessary measures and to ensure that the resolution is carried out in the best manner possible.

5. Renewing the economic management mechanism and improving the policies on prices-wages-money is a change of great revolutionary significance and have much to do with the interests of all. Therefore, every cadre and party member, for the sake of the common interests and his own's, must adopt a constructive attitude, calmly consider all matters, and abstain from having hasty and critical reaction. Everybody must take part and actively join with the party and state in carrying out the resolution, fully and correctly implementing the new positions and policies, completing in the best manner possible the share of work of his unit, and actively supporting and assisting the friendly units.

In the course of implementing the resolution, actively criticize and fight against wrong tendencies, such as being conservative, acting too slowly, being impatient and subjective. We encourage creative dynamic action, but this action must be taken in compliance with party and state regulations; we fight bureaucratic centralism but must ensure the principle of unified centralism; we fight state subsidies but must correctly implement the social policies that conform with the economic situation of the country.

Step up the fight against negative action in all sectors and echelons, mostly in the organizations that have to do with the economy.

To turn the Central Committee resolution into reality, mobilize all the party and people, first of all do good educating and mobilizing work within the party, launch an enthusiastic revolutionary mass movement for implementing the party and state positions and policies, fight against any wrong tendencies and any signs of conservative phenomena and impatient action, and thwart all enemy sabotage arguments and activities.

As we strive to struggle in accordance with the above-mentioned spirit and view, the resolution of the Eighth Plenum of the CPV Central Committee, if correctly implemented, will certainly create a new and great change in both production and life, move the economy of our country toward a new stage of development, and make all our party and people feel more encouraged and confident as we make preparations in order to greet the Sixth Congress of our party.

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CSO: 4209/315

ECONOMIC PLANNING, TRADE, AND FINANCE

QUANG NINH DISCUSSES ECONOMIC PROBLEMS, TASKS

BK041225 Hanoi Domestic Service in Vietnamese 0500 GMt 4 Apr 86

[Text] The Quang Ninh party committee recently held an enlarged conference of key cadres of branches, sectors, mass organizations, corporations, joint enterprises, and central economic sectors based in the province to discuss urgent measures to satisfactorily implement various CPV resolutions.

Quang Ninh, a border province with a large industrial complex, is facing difficulties in grain, foodstuffs, goods, and cash which are experiencing serious imbalances. Through the implementation of the party Central Committee Eignth Plenum's resolution and the Council of Ministers' decisions during the past several months many echelons of the party committee, the administration, and sectors from the provincial to grassroot levels have carried out their tasks more effectively. However, the current fluctuation of prices has adversely affected market management, distribution, and circulation. The trading system to prevent prices from rising has not been applied uniformly, promptly, and decisively, while internal negative phenomena have not been eliminated. The fact that prices of goods, especially essential goods, increased considerably has seriously affected the daily life of cadres, workers, civil servants, and the people as well as production.

Facing this situation, the province has continued paying special attention to rearranging and accelerating the production of agricultural, forestry, fishery, industrial, small industrial goods, and handicrafts--the province's basic task. It has also accelerated the production of coal at both centrally and locally controlled mines, and increased the production of grain and essential consumer goods for the people. The province has invested more in the processing of goods which are in great demand such as coal, iron sheets, cinnamon, anise, and rush.

To create conditions for various establishments to shift into the socialist accounting and business system, the province has implemented the division of management responsibility. In the first stage the province has sent the 1986 production plans directly to 60 key grassroots economic establishments for implementation. Various grassroots production and business establishments have applied the product contracts system and are striving

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AGRICULTURE

BRIEFS

CENTRAL IRRIGATION PROJECT--Hanoi, 31 Mar (VNA)--A new irrigation project has been put under construction in Dai Loc District in the central Vietnam Province of Quang Nam-Da Nang. The Khe Tan Project is composed of a reservoir of 54 million cubic meters and a canal system of more than 100 km to provide water for 4,000 ha of crop land. This is the second biggest irrigation network to be built in the province since liberation in 1975. [Text] [Hanoi VNA in English 0713 GMT 31 Mar 86 (W)] /9738

MOUNTAIN PROVINCE FISH RAISING--Hanoi, 29 Mar (VNA)--The central mountain province of Darlac has more than 20,000 hectares of water at conservancy works suitable for fish raising. Nearly 300 state-owned fish-rearing farms and cooperatives have been set up in Darlac in addition to more than 2,100 families with 2,000 hectares of fish ponds. The province is raising an estimated 1 million fry. Fourteen spawning farms were set up in the province staffed by nearly 300 technical workers. New techniques in fish raising especially in the acclimatization of pollack, pike, carp, and tench have been initiated, and some farms and cooperatives have got 10-15 tons of fish per hectare. [Text] [Hanoi VNA in English 0711 GMT 29 Mar 86 (W)] /9738

CAT BA NATIONAL PARK--In an effort to preserve and restore natural resources and climatic conditions; to preserve the important ecological elements of the Cat Ba Island region; and to support scientific research, the consolidation of national defense, tourism, and other economical objectives, the chairman of the Council of Ministers issued a decision on 31 March creating the Cat Ba National Park in Cat Hai District, Haiphong Municipality. The Council of Ministers entrusts the Haiphong Municipal People's Committee with the responsibility of directly managing the construction, and central-level sectors have the responsibility of helping Haiphong rapidly build and maintain the Cat Ba National Park. [Text] [Hanoi Domestic Service in Vietnamese 1400 GMT 1 Apr 86 (W)] /9738

CSO: 4200/0.0

TRANSPORTATION AND COMMUNICATIONS

COUNCIL OF MINISTERS ADJUSTS TRANSPORTATION CHARGES

BK051121 Hanoi NHAN DAN in Vietnamese 21 Mar 86 p 1

[Text] On 4 December 1985, the Council of Ministers issued Decision No. 273/HDTB on the readjustment of passenger and freight transportation charges which became effective beginning 15 December 1985.

Recently, however, a number of localities and sectors have failed to scrupulously implement this decision of the Council of Ministers. Even worse, some organizations not authorized to transport passengers and freight have engaged in this business and charged high fees at will, thus causing difficulties in implementing transportation contracts and difficulties for the people. It is imperative that freight and passenger transportation charges be scrupulously observed nationwide in order to stabilize prices, satisfactorily meet the requirements for socioeconomic development, and ensure security, national defense, and the people's life. Some provisions of this decision are hereby presented once again:

Article 1 of the decision readjusts passenger and freight transportation charges as follows:

A. Passenger transportation charges:

a) By rail:

--Interprovincial rapid train and express train: 0.16 dong per passenger/km.

--Local train (market train): 0.14 dong per passenger/km.

b) By van: 0.15 dong per passenger/km.

c) By bus: 0.10 dong per passenger/km.

Pupils and students riding daily to school are entitled to a fare discount of 50 percent.

B. Freight transportation:

a) By rail: 0.60 dong per metric ton/km.

b) By truck: 1.20 dong per metric ton/km.

c) By river: 0.45 dong per metric ton/km.

d) By sea: 0.30 dong per metric ton/km.

e) By sea and river combined: 0.50 dong per metric ton/km.

Freight transportation charges are based on the costs of hiring the means of transportation and do not include other expenses such as fines, control fees, and so forth.

Article 2: On the basis of the aforementioned standard charges, the Ministry of Communication and Transportation, together with the State Price Commission and the people's committees of provinces, municipalities, and the special zone, shall publicly announce the specific charges applicable to the various modes of transportation, the various types of freight, and the various means of transportation under their management (including short-distance transportation charges).

Concerning charges for transportation by land and river, localities where conditions for transportation are more favorable and transportation costs are less than the charges mentioned under Article 1 may establish freight transportation charges lower than prescribed above. Conversely, on routes where conditions for transportation are difficult and transportation costs are heavier, higher freight transportation charges may be fixed, with the maximum charges not exceeding the rates prescribed under Article 1 by more than 10 percent (especially for the provinces from Binh Tri Thien north).

Article 3. Central transportation branches and the various localities are allowed to retain basic depreciation costs in full and sufficient revenues to set up the three funds; and at the same time they must strive to lower transportation costs in order to help accumulate capital for the state budget.

Responsible state organs, sectors, and localities are requested to strictly enforce this decision by the Council of Ministers and to regularly control and supervise its implementation.

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CSO: 4209/433

TRANSPORTATION AND COMMUNICATIONS

BRIEFS

DANANG WIRED-RADIO NETWORK--Since Liberation Day, Danang City's wired-radio station has been strengthened and the wired-radio network in its 28 subwards has been developed. In 1975, the city possessed only a 100-watt generator and a wired-radio station with 4 public loudspeakers. Today, it owns some 50 wired-radio substations with more than 10,000 small loudspeakers. The quality of broadcast programs has been raised and many propaganda drives have yielded practical results. The chairman of Quang Nam-Danang Province recently signed a decision recognizing the completion of the wired-radio network in the entire City of Danang. [Summary] [Hanoi Domestic Service in Vietnamese 1100 GMT 25 Mar 86 OW] /9738

SEA TRANSPORT SERVICE--Since early this year the Vietnam Sea Transport Service has made a 30-percent increase in the volume of goods transported over the 1st quarter last year. The transport service has focused on the repair and maintenance work. It has mobilized all means available to transport goods and materials in service of construction and the people's daily life. [Text] [Hanoi International Service in English 1000 GMT 5 Apr 85 BK] /9738

CSO: 4200/879

HEALTH, EDUCATION, AND WELFARE

BRIEFS

SCIENCE INSTITUTE ACTIVITIES--Hanoi 4 Apr (VNA)--The Institute of Sciences--the biggest center for research of natural sciences and some other scientific and technological branches in Vietnam--has obtained remarkable achievements in service of the nation's socio-economic development during the past 5 years. The primary concern of the institute has been to survey and study the natural conditions and resources of the country. The institute has recently compiled a comprehensive atlas with more than 200 maps outlining the natural resources, the distribution of population, and the economic, social and historical situation of Vietnam. It has conducted a program of "comprehensive survey on the sea and continental shelf of Vietnam", obtaining vital information about the country's meteorological, hydrological, geological, biological and topographical conditions and valuable minerals, providing a basis for the use and protection of natural resources. Besides, the institute has studied the redistribution of the workforce and development of production for many provinces, especially for the Plain of Reeds and Mekong River Delta provinces. [Text] [Hanoi VNA in English 0733 GMT 4 Apr 86 OW] /9738

FAMILY PLANNING CENTERS--Hanoi, 4 Apr (VNA)--Family planning centers have been set up at all levels in densely populated provinces and cities in Vietnam. Hanoi plans to reduce the population growth rate from 1.96 percent in 1984 to 1.5 percent in 1986. Many provinces in the Mekong River Delta are striving to bring it down to below 2 percent. Thai Binh Province in the Red River Delta, which in the past had the highest population growth rate, plans to reduce it to 1.55 percent. Seventh percent of child-bearing women there are using contraceptives. Nha Trang, the coastal city of Phu Khanh Province, has reduced the rate to 1.38 percent. By 1982, it had attained the target under the state program for birth control until 1985 (1.5 percent). [Text] [Hanoi VNA in English 0718 GMT 4 Apr 86 OW] /9738

CSO: 4200/879

POPULATION, CUSTOMS, AND CULTURE

BRIEFS

MEMORIAL SERVICE HELD--Hanoi, 2 Apr (VNA)--A memorial service for lawyer Trinh Dinh Thao, presidium member of the Central Committee of the Vietnam Fatherland Front, who died on 31 March, was held in Ho Chi Minh City today by the VFF Central Committee. President of the State Council Truong Chinh, chairman of the Council of Ministers Pham Van Dong and chairman of the National Assembly Nguyen Huu Tho sent wreaths to pay homage to the deceased patriotic intellectual. The president of the Presidium of the VF Central Committee and vice president of the State Council, Huynh Tan Phat, and representatives of public offices and mass organizations also paid floral tributes to lawyer Trinh Dinh Thao. [Text] [Hanoi VNA in English 1506 GMT 2 Apr 86 OW] /9738

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